

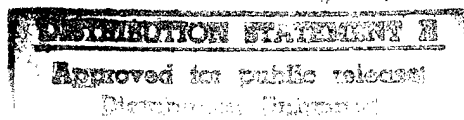
076054

JPRS 82631

12 January 1983

# Near East/South Asia Report

No. 2690



DEC QUALITY INSPECTED 4

19980326 084



FOREIGN BROADCAST INFORMATION SERVICE

5  
226  
A11

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

12 January 1983

## NEAR EAST/SOUTH ASIA REPORT

No. 2690

### CONTENTS

#### ARAB AFRICA

#### EGYPT

'Egypt of the Year 2000' Conference (MENA, 22, 26 Dec 82).....	1
Conference To Begin 26 December Mubarak Message to Conference	
Opposition Article Blaming U.S. for Corruption ( 'Abd al-'Azim Anis; AL-AHALI, 8 Dec 82).....	4
Interview With Interior Minister (Hasan Abu Basha Interview; AL-AKHBAR AL-YAWM, 11 Dec 82)...	6
Domestic Corruption Examined (Aminah Shafiq; AL-AHALI, 17 Nov 82).....	11
Religious Dissident Describes His Arrest, Imprisonment (Shaykh al-Mahallawi Interview; AL-NUR, 1 Dec 82).....	16
Nation's Tourist Revenues in September Reviewed (AL-MAJALLAH, 27 Nov-2 Dec 82).....	25
AOI Ready To Honor All Orders (Ahmad Zindu Interview; AVIATION MAGAZINE INTERNATIONAL, 1-14 Dec 82).....	26
Easy State Loans for Production Made Available (THE EGYPTIAN GAZETTE, 26 Nov 82).....	29

Energy Sharing Plan With Sudan Considered (THE EGYPTIAN GAZETTE, 21 Nov 82).....	31
Minister of Transportation Discusses Port Congestion, Storage (Sulayman Mitwalli Interview; AL-AHRAM, 3 Dec 82).....	32
Briefs	
Sinai Ferro-Manganese Plant	36
Cairo Airport Increasing Capacity	36
Desert Town Ready in 1985	36
Natural Gas for Steel Complex	37
Austrian Electronics Deal	37
Resumption of Relations	37
Local Military Training	37
WESTERN SAHARA	
Algeria-POLISARIO Rift Reported (al-Salami al-Husni; AL-DUSTUR, 8 Nov 82).....	38
ARAB EAST/ISRAEL	
BAHRAIN	
Banking Survey Published (ARAB OIL, Nov 82).....	41
National Bank To Manage Korean Loan (ARAB OIL, Nov 82).....	43
Consumer Finance Company Formed (ARAB OIL, Nov 82).....	44
Balco Loses \$16.4 Million in First Half of 1982 (ARAB OIL, Nov 82).....	45
Briefs	
Loan to Manila	46
IRAQ	
Briefs	
Money Market Loan	47
ISRAEL	
Major Losses Seen as Result of Lebanon War (Amnon Rubinstein; HA'ARETZ, 16 Nov 82).....	48



Peace With Egypt Termed a Joke at Israel's Expense (Shmuel Katz; MA'ARIV, 5 Nov 82).....	51
Increase in Unemployment Due to Demobilization Reported (Arye Lavi'; HA'ARETZ, 10 Nov 82).....	55
KUWAIT	
National Bank Activities Outlined (ARAB OIL, Nov 82).....	57
Diversification of Investment Planned (AN-NAHAR ARAB REPORT & MEMO, 15 Nov 82).....	58
KFAED Maintains Aid Outlay (AN-NAHAR ARAB REPORT & MEMO, 8 Nov 82).....	60
Rise in Income Reported (ARAB OIL, Nov 82).....	61
Briefs KIO Reduces Stake	62
PALESTIAN AFFAIRS	
Briefs Iraq Jordan Air Freight Company Petrochemical Deal ADFAED Loan to YAR	63 63 63
QATAR	
Industrialization Plans Reported on Schedule (ARAB OIL, Nov 82).....	64
Gas Sweetening Plant Planned (ARAB OIL, Nov 82).....	66
Briefs Local Gasoline Prices Petrochemical Company Debt Refinance Balance of Payment Surplus	67 67 68
SAUDI ARABIA	
Few Jobs for Women Graduates in Administration, Economics (Khuzaymah 'Attas, Ahlam Bashtah; 'UKAZ, 30 Oct 82).....	69
New Rules Affecting Rent Controls Issued ( 'Abdallah al-'Amri; AL-MADINAH, 26 Oct 82).....	76

Gas Utilization Project Detailed	
(Khalid 'Abd-al-Wahhab Bafqih; AL-MADINAH, 12 Oct 82).....	77

#### Briefs

No Loans to Mexico	82
Aid to Spain	82
Civil Service	82
No U.S. Maneuvers	82

#### SYRIA

Mustafa Talas Interviewed on Corrective Movement Anniversary	
(Mustafa Talas Interview; TISHRIN, 16 Nov 82).....	83

#### UNITED ARAB EMIRATES

NBAD Maintains Lead Position	
(ARAB OIL, Nov 82).....	91
Banks To Set Up Representative Body	
(ARAB OIL, Nov 82).....	94
Central Bank Predicts Import Change	
(ARAB OIL, Nov 82).....	95
Economic Results for 1980 Summarized	
(ARAB OIL, Nov 82).....	96
Stock Market Study Commissioned	
(ARAB OIL, Nov 82).....	97
Agreement With Malaysia Signed	
(ARAB OIL, Nov 82).....	98
Trade Agreement With Cyprus	
(AN-NAHAR ARAB REPORT & MEMO, 15 Nov 82).....	99
New Law on Labor Relations Published	
(ARAB OIL, Nov 82).....	100
New Visa Rules in Effect	
(AN-NAHAR ARAB REPORT & MEMO, 22 Nov 82).....	101
Annual Subsidy for Cooperatives	
(ARAB OIL, Nov 82).....	102
Law Governing Pharmacies Approved	
(ARAB OIL, Nov 82).....	103
Eight Companies Form Group	
(ARAB OIL, Nov 82).....	104

Power Station Gas Conversion (AN-NAHAR ARAB REPORT & MEMO, 8 Nov 82).....	105
Oilfield Operating Capacity Down (AN-NAHAR ARAB REPORT & MEMO, 1 Nov 82).....	107
New Dubayy Airport Runway (ARAB OIL, Nov 82).....	108
Construction Project Contracts Signed (ARAB OIL, Nov 82).....	109
Roads To Connect Historical Monuments (ARAB OIL, Nov 82).....	110
Briefs Arab-African Bank Funding.....	111

#### SOUTH ASIA

##### AFGHANISTAN

Soviet Moslems Send Message of Religious Solidarity (HAQIQAT-E ENQELAB-E SAWR, 25 Oct 82).....	112
Program To Expand Industries Outlined (HAQIQAT-E ENQELAB-E SAWR, 29 Nov 82).....	114
Mujahedin Successes in Kabul, Provinces Reviewed (KAYHAN INTERNATIONAL, 8 Dec 82).....	116
Measures Planned To Produce More Electric Power (HAQIQAT-E ENQELAB-E SAWR, 21 Oct 82).....	118

##### BANGLADESH

Growth Targets Are Revised Downward (BUSINESS TIMES, 1 Nov 82).....	120
--	-----

##### IRAN

France 'Strongly Warned' To Stop Harassing Iran Diplomats (TEHRAN TIMES, 12 Dec 82).....	121
Premier Denounces France's Presence in Nonaligned Conference (TEHRAN TIMES, 7 Dec 82).....	122

Iran Fully Prepared for Direct Confrontation With U.S.-- Rafsanjani (TEHRAN TIMES, 11 Dec 82).....	124
CIA Allegedly Paying Counterrevolutionaries (TEHRAN TIMES, 11 Dec 82).....	125
Navy Commander Discusses Gulf Security, U.S. Role, Iran's Naval Strength (ETTELA'AT, 27 Nov 82).....	126
Khomeyni's Son Discusses War, Terrorism, Political, Economic Issues (ETTELA'AT, 10 Nov 82).....	131
Judiciary, Executive Receive Guidance From Khomeyni (TEHRAN TIMES, 18 Dec 82).....	142
Musavi: Iran Capable of Launching Border-Long Attack on Iraq (TEHRAN TIMES, 8 Dec 82).....	147
Formation of 'Iraqi Islamic Revolutionary Council' Elaborated (Mohammad Baqer Hakim Interview; ETTELA'AT, 18 Nov 82)....	148
IRGC To Give Military Support to Iraq Revolt Assembly (Mohsen Resa'i; KEYHAN, 27 Nov 82).....	155
Ardabili Offers Assistance to 'Moslem Revolutionaries in Cairo' (TEHRAN TIMES, 12 Dec 82).....	157
Essential Functions of Assembly of Experts Explained (Editorial; KAYHAN INTERNATIONAL, 9 Dec 82).....	159
Minister Outlines Duties of Revolution Guards Corps (Mohsen Rafiqdust Interview; SOBH-E AZADEGAN, 13 Nov 82).....	162
Ideological Chief Discusses Program in Army, Guards Corps (Hojjat ol-Eslam Rabbaninezhad; SOBH-E AZADEGAN, 16 Nov 82).....	164
Tools To Be Distributed by Services Organization (Habibollah Shafiq Interview; SOBH-E AZADEGAN, 15 Nov 82).	166
Self-Sufficiency in Aluminum Foreseen in Five Years (Shahrbaz Hamzey'inpur Interview; KEYHAN, 28 Nov 82).....	168

## PAKISTAN

Politicians Advised Not To Regard People as Stupid (Ali Rizui; MASHRIQ, 17 Sep 82).....	170
Reasons for Postponement of Roundtable Conference Analyzed (Editorial; NAWA-I-WAQT, 12 Nov 82).....	172
Falling Standard of Education Discussed (Editorial; NAWA-I-WAQT, 4 Nov 82).....	174
Paper Blames Social Decay, Corruption on Bureaucratic Elements (Editorial; CHATAN, 20 Sep 82).....	176
Using Other Countries as Constitutional Role Model Questioned (Editorial; NAWA-I-WAQT, 4 Nov 82).....	178
NWFP Inspector General of Police Discusses Law and Order (Yusaf Orakzai Interview; HURMAT, 18 Nov 82).....	180
Lawyers Urged To Be Wary of Political Exploitation (Zahid Malik; HURMAT, 18 Nov 82).....	184
'Big Brother' Role of India Resented; Equal Status Advocated (Editorial; JASARAT, 3 Nov 82).....	186
Social Reform Seen Lacking Credence (Editorial; CHATAN, 1 Nov 82).....	188

## SRI LANKA

Referendum on Extending Term of Parliament To Be Held (Dalton De Silva; BUSINESS TIMES, 6 Nov 82).....	190
TULF Reasons for Opposing Referendum Given (D. B. S. Jeyaraj; THE ISLAND, 30 Nov 82).....	191
Opposition Lacks Funds for Campaigning (Ravindran Casinader; THE ISLAND, 3 Dec 82).....	192
Protest Fast Held in Jaffna (M. Selvarajah; DAILY NEWS, 1 Dec 82).....	193
Editorial Deplores Catholics, Act in Jaffna (Editorial THE ISLAND, 30 Nov 82).....	194
Detained Priest Urges Calm (D. B. S. Jeyaraj; THE ISLAND, 2 Dec 82).....	196
Catholic Bishops' Conference Rejects Terrorism (SUN, 8 Dec 82).....	197

Corruption Described as Cancer Destroying Society (Editorial; THE ISLAND, 1 Dec 82).....	199
Terrorists Escape to India (D. B. S. Jeyaraj; THE ISLAND, 30 Nov 82).....	201
Crackdown on Terrorist Masterminds Soon (D. B. S. Jeyaraj; THE ISLAND, 4 Dec 82).....	202
Sirima Charges Police Harassment (THE ISLAND, 2 Dec 82).....	203
Youths Avoid Police Service (Sriyan Obeyesekere; THE ISLAND, 6 Dec 82).....	204
Editorial Commends Army Behavior in North (Editorial; THE ISLAND, 3 Dec 82).....	205
Editorial Calls for Free Press (Editorial; THE ISLAND, 5 Dec 82).....	207
Lankans Moving Away From Poverty (DAILY NEWS, 7 Dec 82).....	209
Trade Union Affiliation Announced (DAILY NEWS, 1 Dec 82).....	210
Nontraditional Export Earnings Reported (Annabel Thambyrajah; DAILY NEWS, 4 Dec 82).....	211
Oil Bill for 1983 Predicted (Minoli de Soysa; SUN, 8 Dec 82).....	212
Oil Imports Said To Drain Economy (K. Nadarajah; DAILY NEWS, 30 Nov 82).....	213
Briefs	
Indictment of SLFP Members	215
Terrorists Attack UNP Organizer	215
Foreign-Trained Enemy Army	215

EGYPT

'EGYPT OF THE YEAR 2000' CONFERENCE

Conference to Begin 26 December

NC221900 Cairo MENA in Arabic 1810 GMT 22 Dec 82

[Excerpt] Under the auspices of President Muhammad Husni Mubarak, the "Egypt of the Year 2000" conference will begin its meeting this Sunday under the slogan of "the role of science and technology in development." The conference will last for 5 days and discuss a number of subjects which deal with the future of Egypt until the year 2000.

Mubarak Message to Conference

NC261332 Cairo MENA in Arabic 0930 GMT 26 Dec 82

[Text] Cairo, 26 Dec (MENA)--President Husni Mubarak has declared that the new 1982-87 economic and social development plan is one of the main national responsibilities and the great trust occupying us now, the government and people.

The president added that the development trends in this plan are based on several basic pointers which require the efforts of Egypt's scientists at home and abroad. They include benefitting from all the development experience and thinking and the technical and scientific achievement at home and in the world and the exploitation of the scientific and practical achievements to mobilize and organize the national resources and direct their investment.

This came in the message which President Husni Mubarak addressed to the fifth conference of Egypt in the year 2000 which is organized by the Society of the Friends of the Egyptian Scientists in the United States, Canada, Europe and Australia, which started its activities in Cairo this morning.

President Mubarak's message was read by Albert Barsum Salamah, the minister of emigration and Egyptians Abroad Affairs.

The following is the text of President Husni Mubarak's message at the opening of the fifth conference of Egypt in the year 2000:

In the name of God, the merciful and compassionate. Brothers and sisters, members of the conference of Egypt in the year 2000.

The best eternal greeting of honor to you and all the scientists at all times is God Almighty's saying: "God will raise up, to (suitable) ranks (and degrees), those of you who believe and who have been granted (mystic) knowledge and God is well-acquainted with all ye do." [Koranic verse]

The best greeting, perhaps, you can convey to Egypt, our dear homeland, today and tomorrow is that your scientific contributions continue for the benefit of the homeland and the citizens and for setting up the edifice of a civilized future. In its history and environment, Egypt is, as you know, suitable for science, technology, scientific research and a comprehensive culture which provides awareness, knowledge and progress. Egypt has been so since ancient times. A towering civilization of the ancient Egyptians prospered on the banks of the Nile Valley and gave the world bright rays of sciences and arts. The relics, manuscripts, papyrus and the engravings on the temples walls are still a loyal witness to the splendor of the civilization of the ancient Egyptians. It is enough for us in this regard to remember how their sciences were utilized in the service of life and progress and how they excelled themselves in channeling the [Nile] River, built canals and dams, regulated irrigation and excelled in agriculture to the extent that they turned Egypt into a store supplying the old world with crops. They also excelled themselves in discovering and exploiting the mines in Sinai and the eastern desert. They extricated their treasures of copper and manganese and other raw materials. They proved themselves brilliant in several industries such as mining, working gold and copper, linen weaving, making glass, copper and porcelain and other industries necessary in every day life. They knew medicine and medical treatment, the manufacture of drugs and medicines and other professions related to welfare and services.

It is, perhaps, not necessary for me to elaborate in the talk about the progress of science on the banks of the Nile River. You know well and appreciate this civilized march. However, I would like to refer to the School of Alexandria which glittered in the 4th century B.C. to represent a civilization of contact among the Greek civilization, Christian civilization and the Islamic-Arab civilization which had the greatest credit in the carrying out the European scientific renaissance in the 13th and 14th centuries. As you know, the Islamic civilization provided many additions in several fields of science, mathematics, engineering, chemistry, legislation, astronomy, minerals, botany and biology. This is why the Arab scientists were described as the teachers of Europe.

Brother scholars, members of the fifth conference of Egypt in the year 2000: I and many others in various parts of the world have followed up your conferences which have been held biannually during this time in December ever since 1974. This is a significant matter in itself because it means the continuation of a great scientific and technological contribution. In all the conferences you held on the soil of your homeland, you concentrated on questions and issues which will provide the sound and firm foundation for building the Egypt of tomorrow. Your first conference discussed



the characteristics of development. The subsequent conferences dealt with the questions of developing the Egyptian man and developing the countryside and the desert. Your fifth conference will continue the discussion of the question of comprehensive development concentrating on a very important issue--the role of science and technology in development.

In this regard I will refer quickly to the national responsibility and the great trust which have been occupying us--the government and people--for sometime. It is the 1982/83-1986/87 5-year economic and social development plan. I am confident that you, the elite of our scientists, are most keen on closely following up this plan, the preparation of which was based on the efforts, resources and the contribution of science and on study and planning. Some of you have offered your knowledge, experience and assets to contribute to the various investment projects. I am confident that your mind will not be at ease until you satisfy your flowing national feelings by carrying out your duty of supporting and backing the projects in this 5-year plan which is based on reality and which will be implemented in successive stages to explore the horizons of the future and Egypt's picture in the year 2000.

The development trends in the plan are based, brother scientists on several basic pointers which require your efforts. These pointers, for example, include the need to benefit from all the expertise and thinking and the technical and scientific achievement at home and abroad and the exploitation of the scientific and practical achievements to mobilize and organize the national resources and channel their investment.

Brothers and sisters. Teach Egypt. Egypt proudly appreciates your loyalty to it and your concern over its future worries. You have chosen the road of scientific research in its integrated, cherished and suitable form. What is persistently required is the road which starts from reality and is linked with the land, environment and society. Science in our age, as you are aware, is the leader and mover of the production process both in quality and quantity and in all fields and forms. Production is the support for providing the basic and necessary needs of man for work, security, education, food, clothes and housing. In keeping pace with the age, science is required to invent so as to increase and improve the agricultural, industrial and services production. It is required to increase the sources of energy, to serve the national economy, to protect the environment from pollution and to deal with the population explosion. Science in general is required to solve the problems and deal with the challenges which obstruct progress and weaken zeal, enthusiastic ambitions and hope.

You brother members of the Society of the Friends of the Egyptian scholars abroad and members of the Egyptian scholar leagues in the United States are qualified to carry out these major national duties.

All our scientists are urged to participate in all fields and all levels. I have confidence in your efforts, loyalty and in the splendor of your contribution to renovate the youth of Egypt and realize the hopes of its great people.

May God grant you success and lead your steps along the path of light and righteousness. God is the giver of success.

OPPOSITION ARTICLE BLAMING U.S. FOR CORRUPTION

PM231001 Cairo AL-AHALI in Arabic 8 Dec 82 p 10

[Article by Dr 'Abd al-'Azim Anis: "America and Corruption"]

[Excerpts] I do not think that I have recently read a better study about corruption than that written by my colleague Aminah Shafiq in AL-AHALI of 17 November. The interesting thing about this study is that it has put corruption in its right perspective as a social phenomenon closely associated with al-Sadat's policy of the 70's.

Yes, corruption has always existed; it definitely existed during the Nasirite era and within the socialist system, but it was not a by-product of the social and economic policy of 'Abd al-Nasir or the policy of the socialist authorities as much as it was an attempt by the hostile elements inside and outside the government to place themselves above society. But in al-Sadat's era corruption was an overwhelming phenomenon and not a matter of sporadic cases. This was the real by-product of the open-doors policy, the lack of control and the absence of democracy, as the writer said.

But there is one more aspect which I wish the writer had referred to, namely that corruption is also a twin of the policy of alliance with the United States or, more frankly, the policy of subservience to U.S. imperialism.

Of course, we could cite many examples in many and various countries, particularly in Vietnam during the U.S. occupation and before liberation, only there is no room here to do so. But if we accept that corruption is the twin of the policy of subservience to the United States, as is evident in many Third World countries closely linked to U.S. political, military and economic subservience, we must answer the question: Why is this so?

The answer is that U.S. economic policy is based on defending the interests of its giant international firms, which are closely linked to the local social classes that in their turn act as the commercial agents and import and export offices for them. This close alliance between U.S. commercial establishments and local parasitic capitalism is based on plundering the wealth of the peoples and exhausting and destroying their culture. This is the major corruption, and it is bound to lead to the nationalist classes resisting this policy.

It is no coincidence that the American newspapers have embarked on a campaign of threats and criticism against the authorities in Egypt. They realize in Washington that if the campaign against corruption is expanded and if all the local leaders of corruption are brought to trial, this will expose and disgrace the policies of the al-Sadat era--policies whose principal mainstay was close alliance with the United States. They also realize that a large-scale campaign against corruption would weaken their positions inside Egypt and their ability to maneuver and twist arms. This would also lead to the emergence of new leadership within the government to replace those who pledged fealty and loyalty to the United States.

Therefore, I do not think that the U.S. Government is happy with what is happening in Egypt now with regard to bringing leaders of corruption to trial, particularly if the campaign is expanded and includes a large number of corruption leaders known in al-Sadat's time. This is despite the fact that the Americans claim in every Third World country that they are against corruption. But claiming is something and being actually honest is another. It is true that there may be American individuals inside their embassy who are angered by corruption, but the U.S. administration's policy in the Third World countries remains one of great corruption.

CSO: 4504/46

INTERVIEW WITH INTERIOR MINISTER

PM211543 Cairo AKHBAR AL-YAWM in Arabic 11 Dec 82 p 5

[Interview with Egypt Interior Minister Hasan Abu Basha by Jamal Badawi presumably in Cairo--date not given]

[Text] [Question] Minister, when will the old feud between you and those working in the religious field end?

[Answer] I will answer you very frankly. We have no quarrel with those working in the field of religion. Our fight is with those who engage in terrorism. (?It is our duty) [print partially obliterated] to enforce the law and protect legitimacy. My responsibility begins when these things are harmed. Some extremist organizations want to achieve power by illegitimate means, by violence and assassination. When we confront them the whole thing is described as a feud. If I list to you cases handled by the security organs, you will realize that the security organs only act after bloody incidents. I ask you now: Why do you link Islam to terrorism. Islam is against bloodshed and holds life and honor sacred. In its early days Islam flourished through persuasion and good preaching. The conduct of the prophet, may God's peace and blessings be upon him, and the Orthodox caliphs who succeeded him, proves this. Islam does not condone the killing of rulers or those who hold different religious views. Do you want the security authorities to overlook these crimes just to avoid being accused of engaging in a feud?

[Question] I am talking about the conflict between the security department and those working in the Islamic field after the religious trend came to be associated with violence.

[Answer] Who told you that we are against religious activity? There are dozens of channels open to the religious trend, other than violence and terror. We have scores of legal channels for propagating religious views and values.

[Question] Are these channels open to everyone?

[Answer] (Emphatic) Of course. The proof is that there are numerous active Islamic societies, and the press and television devote much of their

space and time to the religious cause. If all these channels are not enough, what is? The way is open for anyone who wants to consolidate religious values.

[Question] After the [reviewing] stand incident [al-Sadat's assassination] fear gripped everyone who had any links with the religious trend, fear of mass arrests. So, on what basis were the arrests made?

[Answer] The detentions were confined to the extremist groups which used methods of terrorism and secrecy, such as al-Jihad and the renunciation and repudiation [Takfir] groups. We later uncovered other underground groups such as the Qutbists, the al-Samawiyah, the al-Farmawiyah, the Hizb Allah [God's Party], the al-Mu'tazilah Shu'uriyyan and the al-Mu'tazilah La Shu'uriyyan [conscious and unconscious isolation] groups. As soon as security was established in November and December 1981 we began releasing them gradually as of January 1982. Now we only have 69 detainees, not including those charged in the cases of the underground organizations I have mentioned.

[Question] How do you handle the cases of the detainees?

[Answer] When the interrogation of a group is completed, the members are referred to the prosecution department for action. A detainee has a right to submit his grievances to the state security court. If the court later decides that he should be released, then he is released immediately.

[Question] Have you not arrested anyone after a release order has been issued?

[Answer] This happened in rare cases and the reason is complicity in other cases still under investigation.

[Question] Have you not invoked the emergency law to arrest anyone outside the circle of religious groups?

[Answer] The only time we resorted to this measure was when we arrested 35 big drug dealers. No politicians have been detained, with the exception of some members of underground communist organizations. The aim then was to ensure stability under critical circumstances on the domestic front.

[Question] Some people doubt the seriousness of the cases made by the state security departments. They say that these cases are just pretexts to justify the continuation of the emergency law.

[Answer] Can you give me an example?

[Question] I have two examples. First there is the case of the mentally dranged man from Aswan known as al-Hashimi. His case was blown out of proportion and it was claimed that he was forming an underground organization. The prosecution department immediately released him.

[Answer] This case has nothing to do with the extremist organizations. It falls under the combat of charlatanry practiced by imposters in the countryside. We catch people like him every day.

[Question] But it was listed in the combat of religious extremism category.

[Answer] Whoever listed it as such was wrong.

[Question] The second case is related to the report that the al-Jihad organization was planning to hijack a plane to bargain for the release of the detainees, but the weapons for carrying it out were said to be no more than knives and daggers.

[Answer] Before I give you the details I want to assure you and the public that the state security department does not fabricate cases against anyone. The case is not as simple as you think. We have laid our hands on letters written by 'Abbud al-Zumur outlining a well-thought-out plan for an attack on the prisons where members of the extremist groups were held to spring them by force and then have armed groups spread out in the city for acts of terrorism and rioting.

[Question] How did the plan fail?

[Answer] The security organs were able to foil the plot and detain the culprits before implementation. They had the members involved under watch and surveillance throughout all stages of the scheme. There was a second plan providing for the hijacking of a passenger plane, and a third plan under which an apartment would be used as a springboard for assassination. You might think that these plans were insignificant just because they were discovered and nipped in the bud.

[Question] Minister, one explanation for the phenomenon of religious extremism is that it was born inside the prisons as a result of torture of the youth.

[Answer] Well, what then would you say about those who carried out the military technical academy storming operation and who had never been in prison? How would you explain the fact that Salih Sariyah, who was the ideological, organizational and operational leader of that group had never been in a military prison. How would you explain the fact that Salim Rahal, the man who founded the al-Jihad organization in Egypt, had never been in prison?

[Question] Speaking of torture, I think that the social reform people advise against torture of detainees.

[Answer] A detainee is treated as someone in precautionary detention with access to food, medical care, newspapers and television, and entitled to have visitors.

[Question] Am I to understand that there is no torture in this hospitality?

[Answer] One hundred percent. Anything you might hear to the contrary is a lie and fabrication. (After a pause) I could even say that the humane way we treat the detainees surprises them. Last month I received a letter from Safwat al-Zayni, one of the leaders of the repudiation and renunciation [Takfir] organization who is serving a life sentence, telling me that his father was ill and that he would like to see him. So I ordered that he be sent to al-Minya to spend 2 days with his father.

[Question] If we go back to the factors which helped the wave of religious extremism, do you not think that the disappearance of the Muslim Brotherhood from the field of religious activity gave rise to extremist groups which operate secretly and are difficult to control?

[Answer] This one point of view, but the Muslim Brotherhood was present for the past 10 years through AL-DA'WAH magazine, but still these other groups emerged.

[Question] Do you not agree with me that it is in the public interest to legalize religious activity to enable it to be done openly and give it a right already enjoyed by the left?

[Answer] And who would decide which group is entitled to speak in the name of Islam? We have discovered that there are dozens of groups in the arena, each discrediting the others and claiming to be the right one. It would be an endless whirlpool. Also, I ask you: Who can say that Islam can only be fulfilled through a religious party. As I see it, there is no tutelage in Islam for any group or party. Everyone is responsible for Islam and for its application within his domain.

[Question] I think that the presence of a legal religious organization would help in the education of the young and in their protection from deviation and vacuum.

[Answer] What do you mean by vacuum? Brother, Islam needs work and sweat. It needs teachers, engineers, doctors and skilled labor. Work is an Islamic value we need to instill in people so that we may advance and catch up with the civilized nations instead of clinging to superficialities and appearances.

[Question] The society's safety requires combat of corruption.

[Answer] Corruption is not widespread in Egypt. There are some corrupt people but they are not the essence. Do you think that corruption is predominant? How can you ignore the tens of millions who go to the mosque and recite the Koran? Furthermore, why should we have this rosy fantasy picture of the Islamic societies. The Koran says that human beings are tempted to do evil. The Islamic society is not a society of angels who never disobey God. We are fallible human beings and there is room for repentance.

[Question] It is the duty of the state to fight corruption, now that there are more signs of it.

[Answer] I do not agree with those who say that corruption is widespread in Egypt. That would be a generalization of isolated cases. Islam in Egypt is healthy.

[Question] Let us go back to your way of dealing with extremism. It has been said that imprisonment is not a radical solution and that there are other ways. Have you resorted to them?

[Answer] We do not regard extremism as merely a social phenomenon. There are psychological, economic, religious and ideological factors behind it. We do not believe that imprisonment or detention is the remedy for extremism. The remedy is in containing it and exposing its defects. Our way of doing this is by meeting argument with counterargument and an idea with a counter-idea. Our aim is to protect young people before they get deeply involved and to rescue those who are already involved.

[Question] In your opinion, what is the origin of this [extremist] ideology?

[Answer] All the origins, whether ideological or organizational, are outside Egypt. I have already given you the names of leaders of the operation against the technical military academy and of the al-Jihad operation. Both have foreign allegiances the background of which we do not know.

[Question] How do you rate the state of security now in comparison with last year?

[Answer] Thank God, there is more stability and security. The situation is much better than before but this does not mean that extremist ideology is finished. We are lying in wait for anyone who resorts to underground activity, violence and terrorism. We have not used the emergency law against the opposition or against legitimate political activity, but we do invoke it against any organization which tries to drag Egypt to a whirlpool of terrorism and violence. We want all political and nationalist organizations to mobilize their efforts for the preservation of legitimacy and respect for the constitution and the law and to contain every activity which threatens legitimacy, the law and the constitution.

CSO: 4504/46



DOMESTIC CORRUPTION EXAMINED

Cairo AL-AHALI in Arabic 17 Nov 82 p 8

[Article by Aminah Shafiq: "Yes, There Has Always Been Corruption, but...! Corruption Is the Constant Companion of the Open-Door Policy, Lack of Supervision and Absence of Democracy"]

[Text] The corruption of the seventies is a general phenomenon.

Several articles and columns expressing opinions favoring discussing the question of corruption have appeared in the past 2 weeks after the socialist public prosecutor impounded the property of 'Isamat al-Sadat and "his offspring" and then began investigating them. "Unfortunately," however, most of these articles did not favor discussing the political and social conditions that created the corruption, nor did they discuss the conditions under which corruption had become prevalent and turned into a social phenomenon that overwhelmed the economy, [our] values and society as a whole. As though they deliberately intended to create a political feud, these articles tended to divide those who were engaged in the debate into two and sometimes three teams: a Nasirist team, an al-Sadat team and a third team that would take us back to pre-1952.

The second team, the al-Sadat team, was the team that attacked the others the most. Its justification for that was that corruption came on the scene since the days of 'Abd-al-Nasir, but that it was not spotlighted then and newspapers did not expose it because there was no democracy and because the ruler exercised absolute mastery over the country's affairs. Al-Sadat's age, however, was characterized by "democracy," multiple parties and the emergence of an opposition. This is a climate that would allow corruption to be exposed and fought. The only evidence offered by al-Sadat's team [to support its claims] is [the case of] Rashad 'Uthman.

We are trying here to restore the discussion to its normal course by trying to identify the political and social conditions that are creating the general climate [which is allowing] corruption to appear and to become widespread. The time has come to eliminate that phenomenon and to replace it with other alternative conditions that can reduce the cases of corruption. Or to put it more accurately, [the time has come for preventing] corruption from turning into an overpowering social phenomenon. In other words, we are trying to find alternative conditions that would close the door to corruption and to forms of corruption which have recently been exposed.

It is not true to say that Egyptian society has been free of corruption for the past 50 years. There was corruption in Egypt before and after the 1952 Revolution. Over the past 50 years there has not been a social system or a government in Egypt that can claim that the period during which it was in power was one that was free from corruption.

There was corruption in Egypt before the July Revolution, but corruption then consisted of forms and methods of fraud and differed from the corruption that followed the July Revolution. What would we call, for example, the case of the damaged weapons? Do we call it a case of "disciplining the national character," or do we call it what it was then and later called, one of the manifestations of the government's and the ruler's corruption in Egypt? The case of the damaged weapons was a clear case of theft, pay-offs and the manipulation of the lives of soldiers who were fighting for a just cause, the cause of Palestine. The case of the damaged weapons was one of both treachery and corruption.

And what would we call those funds that were paid at the gambling tables? These are funds which caused cabinets to be changed and ministers to be replaced by other ministers. Do we call such actions the actions of a righteous government, one that is not controlled by capital? These were among the most important cases of corruption that people talked about in their parties and at their gatherings. They were even the ones that spurred nationalist elements among soldiers, intellectuals, workers and students [and turned them] against the government and against the fact that capital controls the government.

#### Under Siege

Supporters and followers of the Nasirist Society cannot claim that there was no corruption between July 1952 and September 1970. Corruption was evident in embezzlements from the public sector, pay-offs from the private sector and some kinds of smuggling in import and export operations and in customs. One official amassed a fortune from here and another purchased land from there.

Furthermore, we can state for the record that corruption cases that have been apprehended--bribery, embezzlement and pay-offs--and publicized in Egypt's newspapers in the period that began with nationalization in 1960 until 28 September 1970 outnumbered those cases that were apprehended during any earlier or later period. This is due to several reasons:

1. Workers have a new attitude after public funds appeared [in the picture].

It was during this period that the public sector was established in Egypt. Workers thus turned toward their units of employment which became public property. They became more concerned about these units and consequently they acquired the right and some possibility of exercising control over them, albeit from a distance. This change in the nature and essence of ownership not only gave workers the right to exercise control, and not only did it introduce into their thoughts ideas about the proper management of public property, but it also made public property, as manifested in the public sector, part of the general daily fare in Egyptian newspapers. The rise of public property, with its economic and social presence influencing the masses, is what made it become the center of the masses' interest. Therefore, many stories were published about cases of corruption.

Before nationalization, when every unit was privately owned and privately managed, the situation was the opposite. Consequently, workers showed no special interest in improving operations. Because of the nature of ownership, it was the capitalist who controlled, supervised and managed matters. When any corruption surfaced, he was the one who dealt with the corrupt and the corrupting. Therefore, we only read short announcements in newspapers informing all parties that a certain company was no longer using the services of such and such a person and that it would not be responsible for his actions after such a date.

The attitudes of workers and their labor organizations toward the management of these privately owned units was not determined by the proper management that was exercised but rather by the extent of the exploitation that was practiced. Management was not closely or remotely interested in how much corruption existed in these units. That was the prime interest of the unit's owner.

## 2. The Rise of Agencies That Watch over Public Property

The period between 1960 and 1970 witnessed the rise of a number of agencies which have become responsible for watching over public property. This is manifested, as I mentioned, in the public sector. These agencies specifically were the Central Accounting Agency and Administrative Supervision. Both agencies together played a major role in regulating the economy of public property. The second agency took credit for containing many of the seats of corruption in [the public sector]. Regardless of the method that was used in that agency, a method that has been criticized, this agency did oversee the conduct of many of those who are in charge of public sector funds. It was through this agency that the seats of corruption were contained, exposed and put on trial. Newspapers used to publish numerous reports by this agency. The day that agency was abolished represented a major shift in society toward the spread and prevalence of corruption: from scattered manifestations of it to a general course in the economic life of the country and in the public and private values of the people.

Therefore, all those who dodge discussions about corruption after September 1970 by avoiding to look into the political and economic conditions that created this corruption and presenting 'Abd-al-Nasir's dictatorship as an alternative to al-Sadat's democracy are to be reassured. To all those people we say that we admit that 'Abd-al-Nasir's epoch saw some corruption too. Then we would say that all human societies have seen and are still seeing corruption. No social regime or government thereof can claim that there was no corruption and no deviation here or there during its term in office. But what social systems and their successive governments can be proud of is the fact that they have the ability to discover corruption, to contain it and to do something to uproot it, not only by using police measures, but also by using what we call the people's oversight and along with them supervisory agencies as well.

### A Social Trend Has Its Institutions

The difference between one social system and another or between one government and another does not only lie in the presence or absence of seats of deviation and corruption; the difference is rather determined by how widespread corruption is as a course and a social trend. Does corruption have its institutions represented in communities and blocs? Does it extend to individuals and officials in the state agency? Are policemen and robbers one and the same, and are we able to distinguish between them?

In addition, the difference between one social system and another is determined by the kind of values that are prevalent in that system or those that are changing as a result of the presence of seats of deviation or corruption against that system. In the sixties when these seats of corruption did exist, Egyptians led their lives as though they were not surrounded by this change in values and behavior models. The model that was to be followed was the prevalent one which manifested itself in that hard-working worker who makes an honest living and who adheres to honor as a general social value. We did not hear then those words that are now being used to refer to luxurious cars that have telephones in them such as "a pig" or "a crocodile." Nor did we know that the word, "rabbit," or some other word was used to refer to 1 thousand pounds. These terms are associated with base notions and are spoken only by the worst of speculators, smugglers, black market currency dealers and narcotics dealers.

The danger that has gripped and surrounded the men and women of Egypt is that which is created by the interrelationship between the seats of corruption and by the fact that these seats of corruption are turning into an organized establishment of men that reaches into the state machinery. This organization has its own values which it spreads amidst the ranks of the Egyptian people. It has turned into something like a Turkish army of slaves, seizing what it can seize and plundering what it can plunder without any regard for anything that is outside its own immediate interests. This ultimately upset the balanced thoughts of many people. Not only did they become nostalgic for 'Abd-al-Nasir's period, but the imbalance led to a nostalgia for the days that preceded 1952. So much so that some people were led by this situation [to believe] that Ahmad 'Abbud used to realize profits from the assets he owned, but that those people were thieves who profited from what did not belong to them.

Values were actually changed, and positions and attitudes were exchanged. When the masses came out on January 18 and 19, refusing poverty, hunger and degradation, [corrupt people] called them thieves and called themselves honorable. When any citizen stood up to object to their conduct, these people accused him of being contemptible, rude, an underling and atheistic. They retained for themselves and their offspring the qualities of politeness, patriotism and devoutness. Then they exceeded the boundaries of the rational and irrational when they considered the arrests that were made in September 1981 a third revolution of the second revolution against the first.

#### The Open-Door Policy without Planning or Supervision

Corruption in Egypt will continue, and it will continue to ravage people's livelihoods and to drive Egyptians out of their country looking for food, shelter and clothing so that corrupt people and their offspring can enjoy the blessings of the valley. Corruption will continue if all the political and economic conditions that create it are not totally eliminated.

The foremost of these conditions is the result of that situation which is called the economic open-door policy. It is this open-door policy that produced Law Number 43 for 1974 which set down the legal rules regarding the investment of Arab and foreign funds and free zones. This economic open-door policy has created quite an opportunity for a state of economic chaos in which corruption is flourishing. In referring to what has been published about how the fortunes of

Rashad 'Uthman and then 'Isamat al-Sadat were begun, we find that statements by the socialist prosecutor indicate specifically that they were begun in 1974, the year in which the open-door policy was initiated. It is under this open-door policy that conditions which turned corruption into an institution of men and price tags exist. This is because it turned Egypt into a consumers' market where all goods, from rotten foods to video devices and sex movies, [can be bought and sold]. Egypt's economy is full of banks, tourist companies and imaginary housing societies. Eight years after they began, all these projects have led Egypt to live on hard currency sources to which the open-door policy is making no contribution. These specifically come from the [monetary] transfers made by Egyptians working abroad, from tourism, oil and the Suez Canal.

The second of these conditions [for the prevalence of corruption] comes from the absence of planning, follow-up and supervision over the public sector and its units and over public property which is outside the range of the public sector, such as land that is owned by the state. In the case of the public sector which has been under graduated supervision, from the public organization to the Council of Ministers, we find that matters are being neglected. Each unit is being operated according to its wishes, and brokers, speculators and agents have begun ravaging the profits of these organizations and taking advantage of the opportunity to seize their funds.

Then comes the third condition, which is the absence of direct supervision over public property. We do not mean only official supervision or what is called agency supervision. Despite their importance and their ability to contain what is evil because they have the power to get the facts, these agencies by themselves are no longer enough in this day and age. It has become an established fact that despite their authority and the growth they achieved in the sixties and in some years of the seventies, these agencies have not been able to do their job. They were paralyzed by a higher order that abolished them, made untruthful charges against them and emphasized the mistakes they made in getting the facts. Therefore, the notion of direct supervision over public property must be expanded so it would include supervision by the people. This is the supervision that the masses would practice daily at their work sites and through their democratic and popular organizations. These masses are usually just as concerned about public property, or even more so, as any agency official is because public property here is the source of their income and their children's livelihood. Because of their large numbers and because they are widely scattered, the masses have the ability to penetrate any barrier that is set up by corruption. The masses may not be aware of all matters, and they may not be able to reach conclusions, but we may [be able] to achieve the real worth of supervision by the people or their enthusiasm for that supervision if we consider thoroughly the number of observations and allegations of corruption that people reported in the sixties to supervisory agencies and how many of them were true. It may also be useful to consider thoroughly what production committees produced during the years of their work and activity, late in the sixties.

We can imagine how many cases of corruption can be uncovered and presented to those responsible for investigating them in two agencies if the public is really represented in those agencies, in local councils and in trade union committees. People with positions will then return to their original positions, and each person will be known by what he has accomplished. The difference between a gift from the people and a band of thieves would then become known.

RELIGIOUS DISSIDENT DESCRIBES HIS ARREST, IMPRISONMENT

Cairo AL-NUR in Arabic 1 Dec 82 p 3

/Interview with Shaykh al-Mahallawi by Khamis al-Bakri: "Shaykh al-Mahallawi Gives AL-NUR the First Interview on the Details of His Arrest and Banishment from His Pulpit"/

/Text/ At the start of AL-NUR's meeting with him, His Eminence Shaykh al-Mahallawi did not wish to give the journal a press interview, for a reason which he did not hide, namely that he had declared a silent protest against the decree banishing him from his pulpit and suspending him from his work as an imam in the Mosque of the Commander Ibrahim in Alexandria.

AL-NUR, in turn, did not persist in requesting the interview, although, in the tradition of the press, it would have represented a "scoop," since it would have been the first newspaper interview with Shaykh al-Mahallawi since he came out of prison. In spite of the ordeals the man went through, he has gone under the spotlight on the broadest scale in the Arab and Islamic world, and the international news agencies have shed concentrated light on him in a critical period of Egyptian history. He has been a scathing orator in his mosque, a brilliant debater among his disciples in the courtyard of the mosque, and a person who has multifaceted contacts with the affairs of the lives and life-styles of the people. He has been like any human being who exercises individual judgment; he can be right or wrong. The spotlight on him grew while he was deep in prison and the late president openly vilified him before the masses, describing him as having been thrown in prison like /word omitted/!

AL-NUR put a running tape recorder before Shaykh al-Mahallawi, as he was sitting on his bed in his home, and told him, "If you like, turn it off yourself and don't talk about anything or answer any questions. Or, if you like, leave it running, so that it can record everything going on in your mind verbatim and people can know what really has happened, for the sake of God, public opinion and history."

It was as if the man had understood what a hardship it was to travel from Cairo to Alexandria, and what significance the visit by three members of AL-NUR's editorial staff to his home held. Perhaps he was taken by embarrassment at changing his mind on a matter to which he was firmly adhering--to keep away from the media and the media agencies, and indeed from people and their commotion.

In his conversation, which came from his heart, he narrated in detail his experiences proselytizing in the Mosque of Sidi Jabir, the roots of his baseless persecution and oppression at the hands of men who were at the peak of power, and the attempt to transfer him to Kafr al-Shaykh then to the Mosque of the Commander Ibrahim. He recounted the events of his arrest, the investigation that was conducted on him at the hands of the socialist prosecutor, the public attorney and the numbers of the office of the state security prosecutor--grueling investigations which established only his innocence--and then his recent release. Shaykh al-Mahallawi now wants to go back to his work in the Mosque of the Commander Ibrahim and to his pulpit and public, in order to support President Mubarak in his blessed efforts, with which God and his prophet are pleased, to fight against corruption, the sowers of corruption and the deviant souls who exploit people's influence in order to plunder the public's funds and people's ideas.

Here He Lives on the Rooftops!

At the outset, we did not know where His Eminence Shaykh al-Mahallawi lived. All we knew was that he had been an imam at the Commander Ibrahim Mosque before his arrest and banishment. We went there as the person giving the call to prayer was giving the evening call. After we performed prayers, and the /current/ imam had made our acquaintance, we asked him to point the sheik's address out to us. He sent us with someone who led us to him, in a five-story building. We went up a staircase which we observed was solid, made of concrete and new, like the building, although one could only observe the obvious cracks in it.

We are now on the roof of the building, in one corner of which Shaykh al-Mahallawi's apartment is situated. It has only two rooms, but it is not too cramped for him and his wife and seven children. The sheikh greeted us and got us to sit down in the front room. He asked leave of us to spend a few minutes in an adjoining room, in order to meet some guests. The sheikh said goodbye to his guests and, at his invitation, we moved into the room they had left, which was a sitting room, although there was a bid in it.

Shaykh al-Mahallawi sat down on the bed and gave copious greetings.

A scowl never left the sheikh's expression and he barely allowed a laugh or smile to appear on his face, which was lined with deep-rooted pain that rose up as he spoke.

When the Sheikh Opened up His Heart

At the outset, Shaykh al-Mahallawi expressed some reservations about giving the interview. Then he opened his heart wide, and spoke:

"As a matter of fact, I had made a promise not to speak, perhaps as a sort of protest against this situation I have been put in, and perhaps out of a feeling of shock at everything that has taken place.

"However, now that you have come, I can only answer all your questions. Turn on the recorder. I am ready."

He did not prevent AL-NUR's photographer from taking many pictures of him.

Before we asked any questions, Shaykh al-Mahallawi spoke:

He spoke about the circumstances that preceded his arrest, giving all the events behind it in detail.

We did not interrupt him before he had stopped talking.

"From the beginning, the situation really did not at all justify what has happened.

"Who am I? I am an imam in a mosque and I have a platform and a religious law on whose basis I am supposed to be held to account. The ruler assigns me, the imam of the mosque, to talk about the /holy/ book and the sayings and doings of the prophet. If the ruler considers that I am in error, let him hold me to account and tell me, 'You have gone against the book on this matter and against the sayings and doings of the prophet on that one.' One cannot imagine a ruler holding me to account by any other criteria, else there would be a contradiction in his own spirit, and he would have to appoint me to a position different from that of an imam or a religious proselytizer. Since charges of exceeding the proper bounds were directed against me, my proper bounds consist of Islamic law; let me be held to account on the basis of that. If I go against it, I am going beyond my own proper bounds, and they have the right to expel me from my position. However, unfortunately, what happened was totally the opposite.

Take His Opinion on Being Sent on a Delegation Abroad

"I made this statement in one of my sermons. I said that I had been summoned to the security department and that I had been told irregular things. What was said?

"Their opinion was asked on the matter of my being sent on a delegation to an Arab country!

"That inspired my amazement. All right, at some point in time I had requested that frequently, on my children's behalf, like anybody with a job who would like to be generous toward his children, or even would like them to live, because the children of us proselytizers often live within the narrowest limits, although it is not possible that they should live at a level below the /necessary/ standard of living. I made a kind of request that frequently but unfortunately the 'shrewd men' of the Ministry of Religious Endowments prevented me from going. The Ministry of Religious Endowments and al-Azhar declared a contest; I entered it and came in first. I did not hasten to visit various offices to ask questions or get people to work on my behalf. I came in first and moreover I have been working in an Islamic platform, a platform of proselytizers, in the midst of an Islamic group, and I should receive my due since I attained that position through my own intellectual effort. That was my belief, but unfortunately matters proceeded in a wholly contrary way. I was not given my right to go on a delegation abroad, and when I went to ask about that the response given me took the form of an answer that was the height of mockery. The eminent sheikh--may almighty God's mercy be on him, for God has taken him away--told me, in these very words, 'By God, we are not prepared to send the exceptional people we have abroad!'"



"The question was caught in my throat--'So why did you hold the contest? Why?

#### The Socialist Public Prosecutor Suddenly Summoned Me

"Another opportunity arose, I did not hasten to accept it, and it vanished. A third time involved Somalia, but they did not let me go there. Then, after that, I was asked my opinion on going abroad with a delegation at the investigation in the security department, and then an investigation was held on me regarding certain so-called violations.

"It happened that I had chosen God and his prophet, and then I was surprised to be handed a decree suspending me from my job. It was a decree that gave no reasons. That was on Wednesday; on Thursday, Col Isma'il came and delivered me to the socialist public prosecutor in response to a summons. My astonishment was intense, because I had deeply asked myself whether there was anything in these two rooms you are sitting in that would call for an interrogation by the socialist prosecutor, who normally conducts investigations on cases of unlawful gain in the case of rich people who have stolen public money--or did they consider my seven children a fortune and plan to ask me where I had got them from?

"Then other men came, saying they were from State Security, and they told me 'Do not go to the socialist public prosecutor. We know you and we are sorry, but don't go to the mosque because that might appear to be an act of defiance.' I gave my agreement, reluctantly."

#### I Went To the Mosque So There Would Not Be a Slaughter

Shaykh al-Mahallawi continued his narrative on the circumstances that preceded his arrest. He said,

"Then some people came to me, many of my brothers came to me and told me, 'You have to go to the mosque.' I told them, 'No, I have promised the officials that I won't go.' They said, 'You must go to the mosque at once, or else there will be a slaughter, and no one knows what will happen after that. You must go to extinguish the fire of strife that is flaming up.' I went to the mosque at once and gave a speech on the subject of the invasion of Badr, on the occasion of its anniversary. The next morning I was summoned to the socialist prosecutor for investigation into the statement attributed to me, then I was taken by surprise to find the public attorney here in Alexandria arresting me in a manner that was not at all proper, with eight Central Security trucks at the head of the street. The whole street consisted of security men. The stairs are still all cracked, as you assuredly noticed when you were coming up, because of the weight of the security men walking on them. They came into my home in a manner which was totally provocative. I told them, 'People, I went to the socialist prosecutor myself when you asked me to--what is the reason for all this?' Then they arrested me and I went for an investigation with the public attorney at the same time the socialist prosecutor was holding an investigation on me.

## The People Who Investigated Me Did Not Have Their Heart in It

"On behalf of truth and history, publish this statement in my own words: the people who held the investigation into me really did not have their heart in what they were doing, and God is the witness. Even the people who came to arrest me--all they said was 'what can we do, these are orders!'"

"Of course that inspired my amazement, ridicule, and bewilderment all at once. How could this be the position of the forces of justice, which ought to have been independent of all powers? What kind of government is this?"

"The next day I was released. I had been traveling every day between Alexandria and Cairo, where I was being investigated. It was the time of the Ramadan fast. It then happened that the Office of the State Security Prosecutor arrested me and kept me imprisoned 15 days to have me available for investigation. I was then surprised to learn that the subject of the investigation was the same and that all the statements had already been repeated and reiterated. I told the people in the Office of the State Security Prosecutor that the socialist public prosecutor had already conducted an investigation on me for the same charge, as had the public attorney, and they said, 'No, we are an independent body.' After that, events followed one another in succession. I was imprisoned 15 days, then a month, and the assistant public prosecutor, who had been the first to conduct an investigation into me, was the one who conducted the second investigation into me, then the third, and he kept on extending the imprisonment. Events followed one another until my imprisonment had gone on for about a whole year; I was one of the last people to be released."

AL-NUR: The late President al-Sadat singled you out for abuse in public in front of the masses when he said what he did about you. What was the reason for his intense prejudice against you? What is the nature of the investigations conducted on you?

## I Did Not Direct Reproach or Praise Against Al-Sadat's Home

Shaykh al-Mahallawi: Yes, al-Sadat did say what he said. He said that I had addressed myself to him and the people in his home and had said such-and-such and so-and-so about his wife, using obscene language. However, as I told the investigating bodies and as I am telling you and everyone else, the tapes on which everything I said on the pulpit and off it was recorded are totally empty of that sort of charge. Al-Sadat's home did not appear in my words, in the form of reproach or praise. Nor did I address myself in any way whatever to his personal behavior. All I did address myself to was a view on his political behavior, which belongs to public opinion.

Only on that point can one consider whether what I said was right or wrong.

There was a moment of silence. Then Shaykh al-Mahallawi went on to state, "I liked what the late President al-Sadat said after the death of President 'Abd-al-Nasir. He said, 'I will not listen to defamatory statements or reports. I will burn the reports and the tape recordings which have wrecked people's lives.' He actually did burn them, at a historic meeting."

"I had anticipated that he would summon me in person to ask me about these terrible charges which he had learned about through these reports, but that was an honor I did not attain! Therefore, I had also expected that he would wait until the results of the investigation came out to see what my view was, to ask for an explanation on the facts in full, then revile me in the manner in which I had reviled his home, if I deserved such reviling.

#### All Investigations Ruled Me Innocent and There Was Not a Single Item of Evidence

"However, the fact of the matter is that the investigations by the socialist prosecutor ruled that I was innocent and the Office of the State Security Prosecutor ruled that I was innocent, as did the investigations by the public attorney. From the recordings, there was no evidence for the truth of the charges which the late President al-Sadat had received regarding me. In spite of that, I remained in prison until 18 July 1982. Intelligent men of the law and figures from the parties and from the media have said their say about the illegality and unconstitutionality of everything that took place. It got to the point where the late president said 'I protected him from the ordinary judges so that the socialist prosecutor and so on and so forth could investigate him.' All right, then what, once all these people had found me innocent?

"I was released and I was free, but I was prevented from resuming work as an imam and proselytizer, and I was kept away from the pulpit."

Shaykh al-Mahallawi fell silent, then picked up the conversation with tones of obvious sorrow:

"I am not a writer or a politician. I am the imam of a mosque, and the fact that I have been an imam of this mosque has prevented me from making the big earnings that you all know about. It is my children today who are managing things for me and I have chosen for myself the honor of the mosque and the honor of proselytizing on behalf of almighty glorious God--on behalf of whom I have forsaken all that I have forsaken though I am certainly no less competent than my competent brothers in doing the administrative work they are doing or in holding the positions they have attained. But that is all right. That is what I have chosen myself. But if I am deprived of being an imam and deprived of my pulpit, then don't tell me 'You are free, you have the freedom to talk to the press,' and don't say 'You have the freedom to work abroad.' No, because you have taken away the essence.

"I don't know why the prohibition exists. Am I--my innocence has been established even on the basis of temporal law, which might be in violation of the /holy/ book and the sayings and doings of the prophet, and my innocence has been established on the basis of Islamic law. For this reason, I have not done wrong in my work, so why should I be prohibited from resuming my position? I had hoped that I would be told, 'You have been suspended from your job for this and that reason.' I would welcome it if that had happened. However, even the socialist prosecutor said, 'All right, we have cleaned up our papers, we no longer have anything on you whatsoever, there is nothing in any of the investigations regarding you.' Then the court came along and ruled that all the September decrees were to be suspended!"

AL-NUR: What specifically is your job situation now?

Shaykh al-Mahallawi: I have been suspended from work and prohibited from making any statements anywhere. I have no connection with the Department of Religious Endowments except my salary; I have no work. I am sitting here in my home, and at the end of each month I get my salary, which, by the way, does not cover one-third my children's expenses. I would have liked to have been in my mosque now and on the mosque's pulpit now, so I could support President Mubarak in the blessed campaign he has been waging against people who wreak corruption on earth, steal the people's money and are to blame for these people's ideas. Islam, from the time it first appeared, has set this corruption right and has fought against it with the weapon of an eternal law, which is "Where did you get this from?" The prophet, on whom be God's prayers and peace, and the companions of the prophet, took honorable positions which are not to be forgotten and have remained a model for all just rulers.

#### My Suffering and Repression Started at the Sidi Jabir Mosque

AL-NUR: You spoke about the circumstances that preceded your arrest, but we know that there were deeper roots to the matter, from the time you were moved from your mosque, the Sidi Jabir Mosque, to Kafr al-Shaykh, in spite of your success as a proselytizer. Then there was a change, and a transfer to the Mosque of the Commander Ibrahim was ordered. Could we hear something about these events you went through at that time?

Shaykh al-Mahallawi: Yes, the false charges are old, and the untruth of all of them has been proved. The cause of this action transferring me and this suffering that I was subjected to was Mr Ashraf Marwan. I say that because they are facts that have been recorded and documented. The late President al-Sadat was informed that I had said, regarding his wife, "If this /word deleted/ comes to me I will kick her!"

The all-hearing and all-knowing one wanted that slanderous person to fall prey to blatant lies, because he said that these statements were made in the Friday sermon. All Friday sermons are recorded. I informed Eng Sayyid Mar'i of this and stayed away from the mosque until His Eminence Shaykh Muhammad Mitwalli al-Sha'rawi, who was minister of religious endowments, came, and told me "You have the right to go back, because he informed us that that statement had been inserted to damage you; you must go back to your work." The decree on my return to work was in fact issued to the Department of Religious Endowments in Alexandria, but, just as I was about to resume my job, a message was sent, "Suspend Shaykh al-Sha'rawi's decree." They issued a decree transferring me to Kafr al-Shaykh. When I refused to be transferred until they had made an investigation into me, they told me, "Why don't you stay home and draw your salary?"

#### I Said I Would Sell Lemons on a Pushcart

I told them that my relationship with my work was not restricted to a salary and that making a living was not restricted to the Religious Endowment /Ministry/ salaries--I could go to the marketplace, work as a merchant and make many times

that salary. I also said, "Just being transferred from one mosque to another is not a charge, but I have been accused of a specific charge. Either you find me innocent or you prove this charge." When I felt that they wanted to continue doing what they were doing, I found them haggling with me over unpleasant points. I told them, "In any event I have one way of behaving. I will get one of my carpenter friends to make me a pushcart and decorate it nicely, and I will put lemons or lupini beans on it, and Coca Cola, and stand around selling to the public, in front of the mosque, wearing a turban, so that they will know the true status of learning and faith in our country." At that point they told me, "There is no need to go to Kafr al-Shaykh; choose any other mosque in Alexandria." They then proceeded to choose the Mosque of ibn Khaldun for me in the port area, but I did not agree to that, because it was not in an area where the masses had any representation. It so happened that I chose the Mosque of the Commander Ibrahim, and agreed, in spite of the injustice that had befallen me, and I persuaded myself that I was a proselytizer, they were all mosques of God and the mission was the same.

AL-NUR: What about your experience in the Sidi Jabir Mosque?

I Wanted the Mosque To Become Commingled with the University.

/Answer/ The fact is that until the end of the sixties, specifically from the June 1967 setback to the early seventies, mosques did not play the effective role in society that they do now. Mosques were just for the Friday prayer and they were empty during the week. The extent of Communist intellectual influence, which dominated the society in the seventies, was no secret to anyone. When I took over the job as an imam in the Sidi Jabir Mosque, I was surprised to find that the public on whose behalf I was exerting all my proselytizing efforts were old gatekeepers and people on pensions. I most frankly asked myself whether my job was that of an embalmer who prepares people for the grave and death. I aimed at young people, people in whom proselytizers could implant a basis for building for the future, building a Moslem society and a Moslem state. I was certain that that would be possible only if I combined the mosque and the University. I adopted the notion that that would be feasible only if I could meet young people's needs within the mosque itself, prepare classes for consolidation courses in the mosque, and meet with a favorable response from university professors, especially in the scientific faculties of the universities. They gave me effective assistance. At that time, I can remember that the universities were suffering from the fact that more than a hundred students would crowd around one microscope for experiments in their courses. Sufficient microscopes were available in the Sidi Jabir Mosque; there even were corpses, on which people would do experiments, in the mosque. Of course, at the beginning it was not easy or simple. Like anything new that arises, and comes up against people who fight and condemn it, this experiment created constant rancor between me and the traditional elderly habitues of the mosque, who did not find it at all palatable to have young people learning science in English. It should be no secret to you that mosques such as Sidi Jabir have mausoleums and that some of the people who frequent them are characterized somewhat by "spontaneous religiosity" and are not aware of the religion from which that has set forth. Of course female students came along with the males, and they started to learn what the veil required for entering the mosque was. Then they became acquainted with the pleasure of wearing a veil and the pleasure of faith, and they adhered

to the obligations of religion to the point where at the outset people used to call veiled girls the Sidi Jabir Girls. The consolidation courses were almost free. They would start on my premises half an hour before the afternoon prayer and would go on until after the evening prayer, so that I could include the afternoon, dusk and evening prayers. My stipulation in the case of the girls, was that they come veiled. Of course at the beginning girls would come up to the mosque with scarves on, which they would wear on their heads, then they would take them off when they were away from the mosque. I would say, "As you like; you do as you are accustomed; it remains a process of winning over people's hearts."

With thanks to God, I formed a society which performed social activity and gave philanthropic aid to the needy. God's grace with us was great. Dr 'Abd-al-'Aziz Kamil, then the minister of religious endowments, came to us and gave our efforts unprecedented praise. This was the first work of that pattern he had seen, as he put it. Then the deputy minister (whose name I do not remember) came and made a donation to the society from his own pocket. He kept gathering the imams in every governorate together and telling them things which I would be too embarrassed to mention, were it not for the fact that you have come in these circumstances specifically. He said "If I had 10 imams like al-Mahallawi with me, I would have conquered not just Egypt but indeed the world with them."

At this point, when the officials' esteem for me had reached its peak, here I found myself faced with a decree banishing me and transferring to Kafr al-Shaykh.

The Sidi Jabir Experiment Was Totally Removed from Politics

AL-NUR: Frankly, did politics have anything to do with your transfer to Kafr al-Shaykh?

Shaykh al-Mahallawi: Not at all. The method by which I operated in Sidi Jabir was totally removed from politics, because in that period young people were alienated from the call to Islam. Proselytizers had to attract them through our lord, not through politics.

The remainder of the conversation will be in the next issue, God willing.

11887

CSO: 4504/104

## NATION'S TOURIST REVENUES IN SEPTEMBER REVIEWED

London AL-MAJALLAH in Arabic No 146, 27 Nov-2 Dec 82 p 46

/Article: "A 32 Percent Drop in Egypt's Tourist Income in a Month"

/Text/ Egypt sustained a decline of about 32 percent in tourist activity last September in comparison with the corresponding month of the preceding year, although the number of tourists increased from about 124,000 to 135,000. Ministry of Tourism show that tourist income came to 19 million Egyptian pounds that month as compared with 27.8 million in September 1981, in spite of the application of special decrees compelling tourists to pay the costs of staying in hotels in foreign currency and increasing the amount tourists pay when remitting foreign currency before entering the country to the equivalent of \$150.

The number of tourist nights people visiting Egypt spent in the abovementioned month totalled 199,000 /sic/ as compared with more than 1 million last September.

The most important item of information in the statistics is the fact that the number of Arab tourists increased 23.7 percent, to about 68,000; they stayed 570,000 nights. The number of Saudi tourists increased 98.3 percent, the Kuwaitis 73 percent, and the Jordanians 23.6 percent. However, the number of tourist nights the Arab tourists spent dropped by a large percentage, especially in the case of people coming from Saudi Arabia (24.3 percent), Lebanon (58.7 percent) and Kuwait (38.3 percent). The number of tourists coming from Cooperation and Development Council countries did not drop, but an increase was observed in the number of people coming from Portugal, Japan, Turkey and the United Kingdom, and a drop in the number of Israeli Tourists.

11887

CSO: 4504/102

AOI READY TO HONOR ALL ORDERS

Paris AVIATION MAGAZINE INTERNATIONAL in French No 829, 1-14 Dec 82 p 16

[Interview with Ahmad Zindu, president of the board of directors of AOI (Arab Organization for Industrialization), by Roger Cabiach; date and place not specified]

[Text] Mr Ahmad Zindu, a trained economist, was formerly minister of economics, finance and planning in the governments of Nasser and Sadat, then governor of the Central Egyptian Bank before being named president of the Arab Organization for Industrialization.

[Question] 4 November 1982 was a great day for the Egyptian arms industry. With its delivery to the Egyptian Ministry of Defense of the first "Alpha Jet" completed at Helouan, it proved itself capable of carrying out quality work within specified limits. Mister President, did you encounter difficulties in completing this project?

[Answer] No. Industrially speaking, we are even ahead of the program. The AOI could have delivered more than one "Alpha Jet" to the Ministry of Defense on 4 November, but a trial confirmation program had been established, and it was appropriate for us to respect it.

[Question] How was the necessary equipment provided for the assembly of the "Alpha Jets" in Egypt?

[Answer] The majority of this equipment was manufactured according to plans by AOI; the rest was provided by French industrial firms.

[Question] What is the designated monthly production schedule for "Alpha Jets" in your workshops?

[Answer] One and a half to two planes per month. But we can do much better...

[Question] Do you mean that if AOI put in a new order for an "Alpha Jet" your "cell," "motor" and "equipment" workshops would be able to fill it?



[Answer] Yes. There would be no problem in increasing the production schedule, except for those problems resulting from the adaptation made necessary by the integrated Euro-Egyptian character of the production.

[Question] If, by virtue of industrial cooperation, France had proposed the formula "much more work on a determined program ('Alpha Jet'), and then nothing more once this program is completed," instead of going along with AOI in the progressive technological increase in works that are or will be entrusted to your workshops ("Alpha Jet," then "Mirage" 2000, motors and related equipment), how would you as the industrialist react?

[Answer] As an industrialist, I prefer the solution that has been adopted. But significant political reasons that I am not at liberty to mention could have led or can lead to a different choice, whether with France or other countries.

[Question] What Egyptian organizations will take care of the maintenance and repairs of operational "Alpha Jets?" The AOI or military workshops?

[Answer] The AOI is capable of taking care of them but the military may prefer to handle these operations in their own workshops. It is their decision.

[Question] If these operations are carried out in military workshops, won't there be equipment duplications since the necessary equipment already exists in AOI?

[Answer] If you are referring to fourth degree maintenance and repairs, I don't think there will be any duplication; or, if duplication existed, it would be only marginal.

[Question] If the policy followed by the Arab Republic of Egypt and by the AOI ("Alpha Jet," "Mirage" 2000) concerning combat planes is clearly discernible, it is not so clear in the area of helicopters. You know, Egypt has ordered 36 "Gazelles," most of which will be assembled in your workshops in Helouan. Is this one step toward an operation comparable to that of the "Alpha Jet/Mirage" 2000?

[Answer] I don't know. However, I can assure you that negotiations with this in mind are taking place with Aerospatial and Turbomeca, which are in agreement with a similar operation. You must understand, however, that it is up to the Egyptian Armed Forces, not the industrialists, to choose the type or types of helicopters that may be the objects of our eventual industrial cooperation.

[Question] Given, on one hand, the potential of the Egyptian arms industry, the strength the evolution of the international context, do you think that the AOI will be reconstituted as it was conceived before 1979, that is, with an obvious Pan-Arab inclination?

[Answer] It is impossible for me to answer that question as you formulate it. However, I would like to point out that the AOI is what it has always been since its creation in 1975. AOI factories installed in Egypt are ready to honor all orders for exportation that they receive, and I was happy to hear General Engineer Cauchy and President Vallieres confirm in their speeches that the government and the French industrialists were disposed to support our efforts in this direction.

[Question] Yes, but if you want to export, you will need to undertake commercial ventures on the international level in addition to your industrial efforts.

[Answer] We are quite aware of that necessity.

[Question] Thank you, Mister President.

9955

CSO: 4519/98

## EASY STATE LOANS FOR PRODUCTION MADE AVAILABLE

Cairo THE EGYPTIAN GAZETTE in English 26 Nov 82 p 3

[Text]

THE figure of LE 900 million will be granted by the state in the form of soft loans for food security, housing, consumer and productive cooperatives in the new fiscal year, an informed source at the Ministry of Finance said yesterday.

Terms for reimbursement of the loans have been approved by the Minister of Finance, Dr Salah Hamed, the source said, adding that interest rates on the loans would range between 4 and 7 per cent depending on the importance of the project.

According to the source, LE 171 million has been set aside for housing projects in the governorates at an interest rate of 4 percent, and LE 15 million for housing firms at the same interest rate to be financed by the National Investment Bank. The State budget will cover the remaining 9 per cent.

For housing cooperatives, LE 150 million has been allotted at an interest rate of 4 per cent. Of this amount, LE 50 million will go to Armed Forces housing projects and LE 13 million for police housing projects, the source said.

Prime Minister Fuad Mohieddin has also approved the raising of low-interest loans for the Reconstruction and Housing

Bank from LE 45 million to LE 64 million at an interest rate of 4 per cent, the source said.

The Housing Fund will also get LE 25 million and another LE 25 million will go to the Urban Community Authority, the source said, adding that financing will be through the Reconstruction and Housing Bank.

In Cairo Governorate renovation projects will get LE 26 million at an interest rate of 1/3 the official rate for loans. Similarly, Alexandria governorate will get LE 13 million and Giza governorate will get LE 12 million.

Processing of these loans will be through the Egyptian Real Estate Bank and the Arab Real Estate Bank, the source said.

Meanwhile Dr Salah Hamed the Minister of Finance, said that LE 100 million had been set aside for land reclamation projects to be carried out by the public and private sectors.

This amount, the Minister said is higher than that proposed by the Ministry of Planning by LE 30 million. These projects will be financed by the National Investment Bank as well as real estate and commercial banks, the Minister said.

Land reclamation loans for the

private sector had been reduced from LE 90 million to LE 50 million at an interest rate of 4 per cent with financing coming from the Central Agricultural Credit and Development Bank, the Minister said.

For Food Security Projects, LE 150 million had been set aside at an interest rate of 7 per cent; of this amount LE 75 million will be financed by the Agricultural Credit Bank and its branches in the governorates and the other LE 75 million will be through public sector banks, the Minister concluded.

— GSS

CSO: 4500/42

ENERGY SHARING PLAN WITH SUDAN CONSIDERED

Cairo THE EGYPTIAN GAZETTE in English 21 Nov 82 p 2

[Text] TALKS on technical cooperation in the field of power and non-traditional energy started yesterday between Egypt and the Sudan at a meeting attended by the Minister of Power and Energy, Mr. Maher Abaza, and his Sudanese counterpart Mr. Youssef Soliman. Mr Soliman is on a working to visit Egypt.

Following the meeting, Mr Abaza said that the two sides had agreed on the formation of an Egyptian-Sudanese joint committee to work out a comprehensive plan for integration between the two countries in the field of energy.

Mr Abaza also said that the Sudanese Minister of Power had requested Egyptian help to form a higher Council for Energy in the Sudan similar to the Egyptian Council.

The Egyptian and the Sudanese energy experts have discussed possibilities for the establishment of a project for the production of methane gas from the ward el-Nil plant which grows in the El-Ghazal and El-Gabal swamps in the Sudan.

The energy experts of the two countries have also decided to form a joint committee for technical cooperation in the field of solar energy, which can be used for the heating and drying of agricultural crops, especially at the southern part of Sudan, the minister pointed out.

On the other hand, said the Minister, experts of the Egyptian Electricity Authority and the National Electricity Authority of the Sudan will cooperate to make technical study on linking the power networks of the two countries.

Mr. Abaza added that Sudanese energy technicians would be trained at Egyptian power generating stations as well as power transformers in the various governorates. The Sudanese energy delegation is to begin a tour of Alexandria, the Suez Canal region and Upper Egypt to inspect major power projects, he said.

CSO: 4500/42

MINISTER OF TRANSPORTATION DISCUSSES PORT CONGESTION, STORAGE

Cairo AL-AHRAM in Arabic 3 Dec 82 p 15

/Interview with Sulayman Mitwalli, Minister of Marine Transport: "Crippling Increases in Prices of Goods Result from Ship Congestion in the Ports"

/Text/ Assuredly one of the most serious elements affecting the prices of goods and influencing price increases which consumers must ultimately pay for is the inability of Egyptian ports to accommodate the increasing volume of foreign trade, the resulting congestion of ships waiting to unload their cargoes of commodities and production requirements, and the millions of pounds that are incurred as a consequence of that situation in the form of demurrage charges--not to mention the fact that increases in storage and ground charges and tariffs for services which the owners of the cargoes automatically add to the sales prices of commodities have been as low as possible.

I have recently heard much of what is being said about all these serious elements, their aggravated state, and their undeniable effect on the insane increases in prices we are suffering from, whose justifications cannot be understood!

It was necessary to meet with the person in the position of prime responsibility for the marine transport sector in Egypt, Eng Sulayman Mitwalli, the minister of transportation, communications and marine transport, and present him with all that has been said, which the people who own the cargoes are bitterly repeating in order to keep the charge of greed from being leveled at them.

I asked the minister in charge, "What exactly is the truth?"

He answered in a responsible tone explaining these points by saying:

"Taking an objective look at Egyptian ports, we can see that they are incapable in their current condition of accommodating the full amount of Egyptian foreign trade, which is increasing every year. However, that does not mean that we should leave things as they are. Rather, this phenomenon must be coped with methodically, in two basic focal points;

"First, the long-range plan:

"The government, in this context, has actually started constructing the ports of Dumyat and of al-Dukhaylah, adding new piers in the ports of Alexandria and Suez,

and constructing new warehouses to accommodate materials in the ports of Port Said and Alexandria both.

"The second is the short-range plan. In that context, operating capacity in the various ports has been raised by increasing the machinery used in loading and unloading activities. An example of that is what is happening in the port of Alexandria and the new project in Mina' al-Adabiyah in Suez, with respect to grain unloading mechanization. New equipment has also been purchased for operations of loading and unloading general cargoes of various kinds. A plan has been set out for increasing capabilities in using this equipment; an actual consequence of this has been a rise in loading and unloading rates in these ports. The demurrage charges the government has been paying in comparison with past years is the best proof of the extent of the development of activity in the ports, in light of the resources available.

"The effect of mechanization in loading and unloading activities in the port of Alexandria and the extent of its effect in raising the port's absorptive capacity is clearly evident in the process of handling flowing cement by the use of cement elevators. Packaged cement was handled at a single pier in the port of Alexandria until 1977, and total annual output did not exceed 674,000 tons, which were brought in on ordinary ships. These ships incurred great demurrage charges, so thought was given to using the system of elevators in the unloading process, while importing cement in flowing, not packaged, form. It became clear that that would lead to the attainment of port operating rates which were greater than they would have been had pursuit of the traditional method continued, since operating rates in elevators come to 600 tons an hour while the rates at which cement is unloaded from ships on-to docks by traditional methods do not exceed 100 tons an hour. That means that a single elevator can cover the work of six ships occupying six piers at one time. Consequently, three elevators taking up three piers represent an operating capacity of 18 ships occupying 18 piers at one time.

"For that reason, a start has been made in adopting the system of cement unloading elevators. Recently three elevators were constructed in the port, at piers 38 and 60 and behind pier 55, whose current output comes to 3.15 million tons a year. There is thought of adding a fourth elevator to cope with the rise in cement import capacity to meet the government's need for 5.4 million tons a year. By adopting this system, the port of Alexandria has been given an opportunity to save operating capacity for approximately eight vessels of other types, such as those for general cargoes, supplies, and mineral ore, in the inner harbor, and to raise the port's productive capacity in the context of the annual increase at a rate of up to approximately a million tons. According to the plan, self-sufficiency in cement will not occur before 1986 in this case; if the volume of cement imported at any time drops, it will be possible gradually to dispense with these elevators until self-sufficiency is attained.

"As far as congestion in the port of Alexandria goes, figures show that on 1 November 1982 21 vessels were waiting for piers and 66 were being unloaded, either in the inner harbor or on the docks. If we compare this with the same date in 1981, we will find that 19 ships were waiting and 55 were being unloaded then.

"From this, it is clear that unloading capacity in 1982 is greater than it was in 1981, since there were 66 ships operating on the piers or in the inner harbor in 1982 while they totalled 55 on the same date in 1981."

I asked Minister Sulayman Mitwalli:

"The truth of what is being said about storage levies on the docks is that they are paid once to the storehouses in local currency and once again in dollars to the shipping companies which have transported the cargoes. That is in violation of the ministerial decree which specifies levies and stipulates that they are to be paid in Egyptian currency."

/He said/ "All storage or ground rent levies are collected from cargo owners in foreign currency, and the shipping companies pay no storage levies in dollars. Instead, foreign shipping companies which use the container shipment system rent certain spaces in the port to handle the containers that belong to them there; these areas are rented out to these shipping companies in dollars. That is, it is the shipping companies that pay for these, and their costs are not shifted to the owners of the various cargoes or shipments. All areas rented out to the Egyptian Shipping Company or shipping agencies are exempted from that sort of levy. As regards the storing services tariff, that has been consolidated and the accounting measures bearing on it have been simplified, following objective studies of all the relevant instructions and decrees that had been in effect. Then Ministerial Decree One for 1981 was issued, setting out the foundations for these levies, stipulating that there was to be something called a demurrage charge for containers, which are collected in dollars from users of containers if they do not return the containers empty by the deadline agreed on by them and the shipping line.

"It is well known that shipping companies that use containers either own or charter them, and the average costs of containers vary, in accordance with their size, from \$5,000 to \$10,000 a year, making it mandatory that the containers be used in the best manner, lest the shipping companies sustain losses.

"On the basis of this notion, the conditions of use were set out in regard to periods in which container cargoes were to be received, roughly 4 to 7 days, after which the imposition of demurrage charges on returning the containers, not storage levies, would begin."

/I asked/ "However, don't we consider that the decree bearing on the unloading of iron, wood and china in the inner harbor will ultimately affect the price of this sort of commodity, which housing and redevelopment activities have a pressing need for?"

/He replied/ "As we previously pointed out, guiding the use of capabilities in Alexandria makes it mandatory that one seek recourse to methods that are aimed at raising the port's absorptive capacity, since the ground area and the piers in the port of Alexandria cannot sustain more than 12 million tons. Therefore it was necessary to find means to unload cargoes in excess of this amount, which came to 7 million tons on lighters. In fact, some types of goods were determined which are not affected when unloaded onto lighters. The Port of Alexandria Authority



reduced storage tariffs while giving a grace period of 20 days from the date of unloading in which the persons concerned can remove these cargoes. All systems for unloading by means of lighters are exempt from storage duties for a period of 20 days, which is enough for the persons involved to take delivery of their shipments. As regards rents of boats and the extent of their costs for the persons involved, it is well known that the rental value of boats does not exceed 70 pounds per day and their deadweight capacity comes to approximately 250 tons; this means that the cost of a ton per day as far as boats go does not exceed 28 piasters. It is a matter of how quickly the owner of the shipment takes delivery of the shipment."

11887

CSO: 4504/102

## BRIEFS

SINAI FERRO-MANGANESE PLANT--THE sum of LE 70 million has been set aside to renovate and re-operate the ferromanganese factory at Abu Zeneima in Sinai, the Chairman of the Sinai Manganese Company, Mr Hussein Abdul Alim, said yesterday. He added that LE 25 million will be earmarked for the establishment of a gypsum factory at Ras Malaab, a project which is expected to begin production early in 1984. Studies for the renovation of the ferro manganese factory started in 1977 following the Israeli withdrawal from this area of Sinai. The studies aimed to provide the factory with the latest equipment in the field in order to compete with modern factories in other countries. The factory was built in 1967 and it was scheduled to be opened on July 23 of the same year but the Israeli occupation of Sinai resulted in its closure. Mr Abdul Alim pointed out. The Chairman of the company also said that production of the ferro manganese factory will cover the needs of the local market and will allow the export of a large surplus. [Cairo THE EGYPTIAN GAZETTE in English 22 Nov 82 p 2]

CAIRO AIRPORT INCREASING CAPACITY--THE number of passengers arriving at Cairo International Airport, which was originally designed to receive one million passengers yearly, is expected to reach seven million next year and 13 million by the year 1990, according to a study made by experts of aviation and ground services. The study revealed that the establishment of the Airport Authority in 1971 helped expand the airport and to increase the service capacity from one million passengers yearly up to five million passengers. The airport authority has successfully implemented extension projects during the period from 1975 to 1980 to increase the capacity of the airport up to six million passengers yearly at a total cost of LE 52 million. The airport's capacity will not cope with the sharp increase in the number of passengers during the coming two years as the new building of the airport, which will receive five million passengers yearly, will be opened only partially in 1984. The study recommended the development of administrative procedures in the airport to lessen the time allocated for every passenger in order to be able to receive the extra number of passengers next year. [Cairo THE EGYPTIAN GAZETTE in English 23 Nov 82 p 2]

DESERT TOWN READY IN 1985--A NEW residential community is being built in Sharkia Governorate, some 50 km east of Cairo, as part of the policy to extend the residential communities in the desert instead of encroaching upon arable land. The new residential community "New Belbeis" is being built near

old Belbis town on the Cairo-Zagazig Road An area of 105 feddans has been allocated for the projected town which is to be completed by 1985. The Chief of Belbis Local Council, Mr Rabie Abdul Meguid, yesterday said that New Belbeis will include 3,000 flats which will accommodate about 20,000 people. It is the third new residential community to be built in the Belbeis desert he said, 'Salam' and 'Obour' have already been built. The Housing Cooperatives Authority has agreed to extend a loan of LE 35 million to finance the construction of New Belbeis Mr Rabie added. The Prefabricated Houses Company will meanwhile supply the project with required materials which will surely step up construction works. [Cairo THE EGYPTIAN GAZETTE in English 24 Nov 82 p 2]

NATURAL GAS FOR STEEL COMPLEX--The output of Dekhaila iron and steel complex, which is nearing completion in Alexandria Governorate, is expected to reach 725,000 tons of re-inforcing iron bars yearly, according to the Chairman of the project, Mr Mohamed Abdul Aziz Khattab. The project is being financed by the Ministry of Industry, the International Bank for Reconstruction and Development (IBRD) and the Japanese Government, which contributed 10 percent of the total cost of the project, said Mr Khattab. The project intends to exploit iron ore deposits at El-Wahat El-Baharia, in the Western Desert, and natural gas extracted in Alexandria Governorate, saving coal to fuel the iron and steel factory in Cairo, Mr. Khattab pointed out. A new method for the production of steel, called the direct reduction method, will be applied in the factory, which expects to apply the latest developments in the field. This method has the advantages of producing pure steel, towering production costs and requiring less workers than the traditional method. The output of the new factory is expected to cover the needs of the local market of re-inforcing iron bars. Egypt at present imports about 650,000 tons of iron bars yearly for its many housing projects, said Mr. Khattab. [Cairo THE EGYPTIAN GAZETTE in English 2 Dec 82 p 2]

AUSTRIAN ELECTRONICS DEAL--Sources in Cairo anticipate that Egypt and Austria will soon be signing a new agreement according to which Egypt will receive its spare parts requirements for electronic warfare, the signal corps and the artillery, which operate by lasers and computers. In another area, Rumania has asked Egyptian officials to buy dry fuel for ground to ground missiles which Egypt produces in one of its military factories. /Text/ /London AL-MAJALLAH in Arabic No 144, 13-19 Nov 82 p 11/

RESUMPTION OF RELATIONS--The Egyptian Ministry of Foreign Affairs is considering resuming its diplomatic relations with Cyprus and Bulgaria by the end of this year. Relations with Cyprus were broken off after the assassination of Yusuf al-Siba'i and the consequences resulting from the assassination. Egyptian Foreign Ministry sources also expect that the number of its employees, or the level of representation, will be raised in the case of some Arab countries. /Text/ /London AL-MAJALLAH in Arabic No 144, 13-19 Nov 82 p 11/

LOCAL MILITARY TRAINING--Well-informed sources in Cairo say that 1,083 Arab and African officers and troops are receiving military training in Egypt now. The sources stated that a corresponding number of military persons completed their training in Egypt last year. /Text/ /London AL-MAJALLAH in Arabic No 146, Nov 2 Dec 82 p 11/ 11887

ALGERIA-POLISARIO RIFT REPORTED

London AL-DUSTUR in Arabic No 259, 8 Nov 82 pp 25-26

[Article by al-Salami al-Husni: "Noose Around the Front's Neck"]

[Text] One result of the move of events from the Arab East to the Arab Maghreb, whether from the Fes summit or from the relocation of the PLO in Tunisia and the subsequent contacts and talks, has been the state of being forgotten which now threatens the POLISARIO with obliteration or, at least, with existing on the fringe of the political scene in the area. A report presented to the last conference of the POLISARIO Front stated: "The situation in the Arab Maghreb is now operating to the disadvantage of our cause. Consequently, we must use every possible means to get our cause moving once again to ensure our participation in the next OAU summit." On 17 October, the POLISARIO held a conference in "the liberated territory," that is, near Tindouf, to review the obstacles facing "the process of the Saharan struggle." The conference focussed on issues decisive for the future of the front, that is, the internal quarrels and attempts to create dissension, particularly after some had returned to Morocco under the slogan of working in the interior, after the disagreements which had arisen among the "historical leaders of the front," and after the alliance with Algeria had become dubious. Algeria had, perhaps at the request of Palestinian circles, stopped supplying the POLISARIO with arms and the administration of President Chadli Bendjedid had adopted a new policy of abandoning the POLISARIO to its own devices in the Tindouf camps. The other issue with which the conference dealt involved the POLISARIO's participation in the OAU summit and the prevailing tendency among the ranks of the member countries to keep the front out of the conference to obtain a compromise solution and Moroccan agreement to participate in the Tripoli summit.

With regard to the POLISARIO's relations with Algeria, although an Algerian official was present during the conference's activities, all indications are that Algeria no longer views the front as it did earlier, that is, considering it an ally on an equal footing which, tomorrow upon "independence," could become a region of the Sahara which would be a western outlet to the sea. Rather, it now views the POLISARIO as one element of its total African policy and nothing more. This slow switch in Algerian policy toward the Western Sahara issue stems from a number of factors, principally the fact that Algeria no longer is in real need of an outlet to the Atlantic following

the agreement on sale of Algerian gas to France and Italy. The gas will cross in a pipeline which is still under construction and which starts in the HASSI Messoud area in southern Algeria, crosses Tunisian territory and reaches Italy under the Mediterranean. Prior to this agreement, Algeria had intended to sell its gas to the United States under the terms of an earlier agreement and, consequently, had been interested in having the export port located on the banks of the Atlantic Ocean and under Algerian control, as had been desired by the late President Houari Boumedienne. The other factor which has had a major effect on Algeria's policy toward the POLISARIO is the move of events from the Arab East to the Maghreb and the role Morocco is now playing after the Fes conference, a role that is viewed in Algeria as competition for Algeria's position on the Arab and African levels. Also, any confrontation now with Morocco would weaken Algeria in Arab circles, particularly since the "steadfastness and confrontation front" is, at least for the Algerians, no longer a protective cover from criticism and charges of impotence. Therefore, Algeria is now making movements through its own channels to lay upon Syria the responsibility for "killing" the steadfastness and confrontation front because it did not permit this front to participate effectively in Lebanon beside the PLO. President Chadli Bendedid's administration is therefore trying now to win a new Arab position which would certainly be inconsistent with any possible confrontation with Morocco. From another angle, Algeria is quite apprehensive about an accumulation of arms in the hands of the POLISARIO and so has not only stopped supplying the front with arms but has prevented any outside supply of arms from reaching the front and is now carefully monitoring the desert routes. In addition to this, Algeria is now behaving in African circles as if it is unconcerned with the Western Sahara issue, particularly with regard to the OAU crisis, and its representatives are following the lead of any other African state which backs the participation of the POLISARIO in the activities of the African summit.

Recently there have been intensive contacts between a number of African countries to come up with a satisfactory solution for reviving the OAU and convening the summit which fell apart in Tripoli. These contacts have resulted in a position which adds to the pessimism of the POLISARIO leaders. This position is that the Saharan Republic will not participate in the coming summit or in the OAU council of ministers on condition that Morocco will arrange a popular plebiscite prior to the date of the 20th summit which will convene in Conakry. The POLISARIO leaders believe that this position means that they will never return to the OAU. They, therefore, instructed Mohamed Abdelaziz, the "president of the republic" who was elected at the recent conference, to make a special African tour in Tanzania, Madagascar and Mali, the countries which are members of the committee to search for a solution to the Western Sahara issue. Abdelaziz presented to these countries the POLISARIO's demands to counter the African proposal. These demands involve "the expulsion of Morocco from membership in the OAU and the organization of a plebiscite without the Moroccan administration present in the Saharan region." Certainly these hardline demands, which cannot meet with any response even from the pro-POLISARIO African countries, indicate a somewhat general agreement among the African countries, including Libya, that the POLISARIO should not attend the next summit

in order to save the organization from collapsing and breaking up. The POLISARIO had believed that the naming of a president of the republic for the first time would give it the right to attend and to interact on an equal footing with the other African countries and would facilitate its efforts to expel Morocco from the OAU for violating its charter in the Western Sahara. However, and this is what Abdelaziz was told in the countries which he visited, all these demands would mean burying the earlier OAU resolutions on organizing a plebiscite in Western Sahara and would violate agreements on the procedures for organizing this plebiscite.

Today, the POLISARIO having held its fifth conference and elected a president of "the republic and installed the other members in their posts, it finds itself no further ahead than before, either on the political level where it has begun to lose its earlier positions little by little, or on the military level which has been shut off in its face, both because of the cutoff of arms from Algeria and because of the impossibility of carrying out military operations in the heart of the Saharan region and penetrating the Moroccan fortifications. The POLISARIO will also face another problem in the future involving the closure of the Mauritanian borders to its activities after the visit of Algerian Prime Minister Abdelghani to Mauritania which, in addition to bilateral relations, was aimed at discussing the possibilities of putting a stop to the threat of military activity by the POLISARIO which might consider using Mauritania as a substitute for Algeria.

Because of all these circumstances, the prevailing opinion today is inclined toward the belief that the POLISARIO Front has begun to move backwards and to lose what it gained during the past few years. Certainly the obliteration of armed organizations such as the POLISARIO does not happen overnight but it does begin when those organizations stop moving forward and achieving some victories or gains at the expense of their opponents. The end of the Western Sahara issue may not lie in the popular plebiscite but in the "abdication" of the POLISARIO from the arena and, because of disputes and political changes in the area, its transformation into what it was prior to 1973, merely a group of leftwing Moroccan oppositionists in Spain and Algeria.

8389

CSO: 4504/84

## BANKING SURVEY PUBLISHED

Kuwait ARAB OIL in English No 11, Nov 82 p 94

[Text]

**B**ahrain Monetary Agency's (BMA) economic research directorate published a survey of banking in Bahrain recently entitled 'Bahrain — An International Financial Center.'

In its foreword the directorate says that it has felt for some time that "a review of the financial structure of Bahrain would be useful to highlight the development of the various sectors of the market."

The 12-section survey covers the functions of the BMA and its statutory powers, and the legal requirements which must be fulfilled by the commercial banks, OBUs and dealers and brokers in precious metals and commodities.

It also analyses the development of the market during the nine year period since the BMA was set up in 1973 and in particular the substantial contribution which has been made by the OBUs since the creation of the offshore banking market in 1975.

The survey says that the emergence of the OBUs on the national scene was "tantamount to another stride in the country's march towards the diversification of the economy."

"The contribution of the OBUs to the development of Bahrain as a financial center has been substantial and the indications are that their participation will continue on an expanding scale. So, too, the advantages to them will accrue in ever increasing magnitudes."

#### Presence

The presence of the OBUs, the survey says, has encouraged the formation of ex-

empt companies, boosting other service industries on the island, and their participation in approved local development projects has helped to raise funds in the order of 500 million dollars in the last five years.

The speed with which the market has grown — there are now 65 OBUs in operation — supports, the survey says, "the thesis that a gap in the international market did exist which has been bridged."

Since 1975 the assets and liabilities of the OBUs have expanded at an annual rate of 35 percent. On average 70 per cent of OBU funds are inter-bank deposits and 71.5 per cent of these deposits are sourced from outside Bahrain and, likewise, some 78 per cent are placed abroad.

Nevertheless, transactions with official agencies, regional and international companies account for a substantial 25 to 30 per cent of OBU business.

A maturity analysis of the assets and liabilities of the OBUs shows that they are predominantly of a short-term nature, with 87 per cent of assets and 97 per cent of liabilities maturing in a year or less.

The survey sums up the financial services rendered by the OBUs as including deposit facilities, foreign exchange transactions financing of foreign trade and provision of performance and guarantee bonds.

"These banks also extend medium and long-term loans either as single bank credits or as syndicated loans contracted in Bahrain or abroad. They also participate in bond issued denominated in Gulf currencies, including those in Bahrain and Kuwait dinars."

#### Emphasis

With the Bahrain government emphasis on

education and training, Bahrainis now constitute 56 per cent of the OBU workforce of 1,820. Nearly four fifths of the staff employed by the island's commercial banks are also Bahraini.

The survey continues with brief sections on exempt companies, the investment banks and Bahrain's social insurance and pensions schemes before going on to look the domestic and international financial markets.

The domestic market is dominated by a small number of large and well-established local banks who together hold the bulk of the non-bank deposit base.

"These banks, which include two foreign banks with a traditional presence, are normally not lenders to the other banks who are all foreign and who require to borrow inter-

bank funds to finance their commercial lending."

The inter-commercial bank market is small and short-term, the survey says.

"In October 1981, its net size was only 50 million dollars and 75 per cent of all inter-bank assets and liabilities were under one month with a heavy concentration in the overnight and seven-days maturity market."

The survey attributes this pattern to "almost two years of liquidity shortage caused by outflows of funds seeking higher returns available on the major international currencies, particularly the US dollar."

But the survey points out that inter-bank trading is "conditioned by the ready availability of liquid support from the BMA

through the swap system" under which the BMA lends Bahrain dinars on the swap against US dollars, normally for seven days, at rates of its own choosing.

#### Activity

However, the major activity in the Bahrain money market is the trading of international currencies, the survey says.

Of these the US dollar is the most important with about two-thirds of the market, but Deutsche Marks, Swiss Francs and Sterling also have a significant share with the main Gulf currencies, particularly the Saudi Riyal.

For the commercial banks, the OBUs are a convenient repository for short-term liquidity in international currencies and an efficient source of cover for foreign exchange exposures.

Whereas virtually all OBUs, the survey says, use the offshore interbank market as a source of funding in regional currencies, those with a strong regional currencies, those with a strong regional presence tend to be givers while those who lack good access to non-bank sources of deposit, are net takers.

The market is served by six international money brokers who have forged close links between Bahrain and other regional and international centers. This has enabled the banks, the survey says, to deal with greater confidence and has reduced the spreads on international currencies.

CSO: 4400/121



## NATIONAL BANK TO MANAGE KOREAN LOAN

Kuwait ARAB OIL in English No 11, Nov 82 p 95

[Text]

The National Bank of Bahrain lead managed a 41.66 million dollars multi-purpose facility for the South Korean firm ICC Construction Co Ltd, according to the Saudi Gazette.

The facility will be used to finance the working capital requirements of ICC, particularly in financing the importation of construction equipment, materials and supplies for its projects in Saudi Arabia. ICC was awarded a 161.38 million contract by the Ministry of Municipal and Rural Affairs in March 1982 for a water sewerage and storm-water project in Taif.

National Bank of Bahrain is the agent and issuing bank as well as lead manager, providing 5.55 million dollars. Six banks, participating as managers, will each provide five million dollars. They are Riyadh Bank, Saudi British Bank, Arab Banking Corporation, First Interstate Bank of California, Kuwait Foreign Trading Contracting and Investment Co. SAK and Union de Banques et Francaises (UBAF). Kuwait Asia Bank and State Bank of India are co-managers, providing 3.05 million dollars each. The syndication was signed in the first week of October in Manama.

The syndication consists of three different facilities including a 13.88 million dollars revolving letter of credit and refinancing facility in which ICC may request the issue of LCs in any currency valid up to 180 days and to refinance payments in Saudi Riyals or US dollars for up to six months at any one time.

The syndication also includes a revolving short-term loan of 6.94 million dollars, under which ICC may request six-month advances in riyals or dollars, and a medium-term working capital loan of 20.83 million dollars, repayable in quarterly payments commencing 27 months after signing.

The loan facilities are priced at one percent over the three or six month Bahrain Interbank Offered Rate (Bibor) for riyals or dollar deposits. There is also a one percent commission fee on the face value of the letters of credit at issuance, and a half percent commitment fee on unutilised portions commencing 90 days after the signing date.

The L/C, refinancing and short-term facility are available for 2½ years and the medium-term loan facility 12 months from the signing date. The final maturity of the total package is three years.

CSO: 4400/121

CONSUMER FINANCE COMPANY FORMED

Kuwait ARAB OIL in English No 11, Nov 82 p 95

[Text]

Bahrain's first consumer finance company has been formed under the chairmanship of the Bank of Bahrain and Kuwait (BK) and Al-Ubaf International Bank, reports the Gulf Times.

BBK and the National Bank of Bahrain each have a 20 percent stake in the 15 million dollars issued capital of the Bahrain Commercial Facilities Company.

The remainder is subscribed by 24 other shareholders, mainly dealers in cars, furniture and domestic appliances, but also a few investors such as the General Organisation for Social Insurance (GOSI).

The company looked like getting off the ground in 1979, but not enough traders were willing to back it at that time, despite favourable feasibility study forecasts. National Bank of Bahrain's representative on the BCFC board, Abdul-Razak Hassan, believes the consumer will benefit, or at least that he will not lose by the intervention of a third party.

"The company will not be greedy with its interest rates," he said, "because it will want to attract business. And the fact that it is well capitalised will enable it to lend to some extent from its own funds.

The existence of an independent credit company will also create new opportunities to buy, because a number of traders will not offer HP at their own risk.

The actual mechanics of the project are not being discussed in detail until the management is in place, either by direct recruitment or under contract with a leader in the field. This is expected to take up to six months, with another six months before BCFC enters the market.

CSO: 4400/121

BALCO LOSES \$16.4 MILLION IN FIRST HALF OF 1982

Kuwait ARAB OIL in English No 11, Nov 82 p 95

[Text]

Bahrain Aluminium (Balco) suffered a net loss of 16.4 million dollars in the first half of 1982 compared with a net profit for the same period of 1981 of 1.1 million dollars, according to unaudited figures released by the company recently, reported Gulf Mirror.

Before provision for the potential loss of value of stockpiled metal and allowance for overdraft interest, the company's losses for the first half total a more modest 2.5 million dollars spread evenly over both quarters.

However, more tonnes of metal were shipped during the second quarter than the first, and as a result stocks have fallen by around 20 per cent — from 80,000 tonnes at the end of the first quarter back to their 1981 year-end level to 64,000 tonnes.

Balco is owned 74 per cent by Bahrain and 26 per cent by Saudi Arabia. The company markets the two countries' 77.9 per cent share of the Alba of 110,000 tonnes.

Looking ahead to the second half of the year, a statement issued by the company this week said that "the signs are the loss will increase, possibly bringing the total before provisions and the cost of interest, to some 30 million dollars for the year as a whole."

The report adds that this is a conservative estimate based on the size of the current stockpile remaining static. Other factors such as a continued deterioration in prices and severe international competition could also adversely affect the company's profitability.

The statement concludes on a pessimistic note: "Apart from the recent fall in interest rates, there is very little encouraging news from the industrial economies to suggest that a better result can be achieved."

## BAHRAIN

### BRIEFS

LOAN TO MANILA--A thirty million dollars short-term multi-currency loan for the Greater Manila Land Corporation was signed in Bahrain, said Gulf Mirror recently. It was arranged by Arab Banking Corporation which was also agents, and funds were provided by ABC, Al Saudi Banque, Arab Bank for Investment and Foreign Trade, Arab International Bank of Cairo and Kuwait Asian Bank. The loan was guaranteed by the Philippine Export and Foreign Loan Guarantee Corporation. [Text] [Kuwait ARAB OIL in English No 11, Nov 82 p 95]

CSO: 4400/121

## BRIEFS

MONEY MARKET LOAN--Iraq is to raise a \$500 million five-year loan, the country's first foray into the international money markets since 1978. Iraq's Rafidain Bank has mandated the Union des Banques Arabes et Francaises (UBAF) in Paris to arrange syndication and the loan is expected to carry interest at between 3/4 and 1 per cent above LIBOR. It would be guaranteed by Iraq's central bank and is to be used to finance imports and international trade. The 1978 loan was for \$180 million over three years and was also lead managed by UBAF; that loan carried interest at half per cent above LIBOR. London's Financial Times reported last week that a senior London banker had recounted how his bank had listened briefly to UBAF proposals for the Iraqi loan and "We then showed these gentlemen the door." But a senior banking officer at UBAF told this newsletter he was unable to understand this report. The loan had already been almost entirely raised, he said, and lead managers are to meet in Paris on November 15 to complete the deal Reuters reported that other banks participating in the loan are Royal Bank of Canada, Union Bank of Switzerland, Westdeutsche Landesbank, Arab African International Bank, Bank of America, Chase Manhattan, Credit Lyonnais and Deutsche Bank. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 39, 15 Nov 82 p 6]

CSO: 4400/119

## MAJOR LOSSES SEEN AS RESULT OF LEBANON WAR

Tel Aviv HA'ARETZ in Hebrew 16 Nov 82 p 9

[Article by Amnon Rubinstein: "Back to Peace for Galilee"]

[Text] The frightful disaster that occurred in Tyre, united Israel in mourning: among the Israeli victims were members of all the communities--Jews, Druzes and Arabs, from the cities and the moshavs, the kibbutzim and the neighborhoods. The rescue scenes broadcast on television brought home the size and unbelievable dimensions of the event. The best of our sons, from all the services, were buried under the collapsed building. It makes no difference at all whether the building collapsed because of a terrorist action--as the prime minister announced in Los Angeles--or because of an accident. One can only hope that it was not a terrorist strike, and that the widespread rumors of a mysterious terrorist group are nothing more than an attempt to make political capital out of an accident.

One way or the other, the dimensions of the loss and the size of the blow that has hit us are closely connected with the price that we are paying for the war in Lebanon. To the 75 dead in Tyre, we must add the dead and wounded in the war and the orphans and bereaved that have been created since June. Israel has known many sacrifices in her wars, but that past attrition has given us no immunity against additional bloodshed. The truth is that during the course of the war in Lebanon, the impression was created more than once that for the first time in our history, a breach was created between the routine of the "good life" and the price exacted on the battlefield. While hundreds of our men fell in battle, Israel continued its festival of conspicuous consumption and its prolonged stock exchange orgy; Heda Boser rightfully called it the "Jounieh syndrome," of the Lebanese type which astounded us at first. The disaster in Tyre, so it seems, put an end to this strange atmosphere. The price became too terrible and difficult to bear. A war which was supposed to be short--only two days long--and sparse in victims, has turned into a protracted and demanding war, the end of which cannot yet be seen.

The mess in Lebanon began when the government deviated from the limited objective of the "Peace for Galilee" campaign and the removal of the terrorist guns from our northern border and began to wage a war for a new order in a fractured country torn by communal hatred. Till this very day no one has taken the

trouble to explain to the Israeli public how this turnaround from a limited campaign to a full protracted war took place. The prime minister, in his speech to the Knesset, had but one explanation: since the terrorists did not cease their fire, we had no choice but to continue to advance northward and expand the war to Beirut itself. It is doubtful if there is anyone in the IDF who accepts this explanation, and, in any case, it is hard to believe that the terrorists were the ones who dictated such a radical change in the war's objectives. I am not talking here about simply the expansion of a front or the exploitation of a military victory. The "peace for Galilee" campaign was different in its declared objectives from the war in Lebanon. The truth is that the war in Lebanon endangers the accomplishments which might be plucked from the "peace for Galilee" campaign. In a limited campaign--like the Litani B campaign--it would be possible to expand the enclave under our control and put it under the command of Major Haddad, a man whose loyalty has been tested in years of cooperation. The attempt to enthrone the Phalange in Lebanon by force is likely to create a difficult problem in preserving this enclave, and it endangers Haddad and his men.

As long as Lebanon was fractured and divided, we could relatively easily claim for ourselves the right of air supervision and a presence on the ground in southern Lebanon. The new regime in Lebanon--which openly dissociates itself from Israel--will want to prove its legitimacy by preventing such Israeli involvement. We have an interest in seeing that the Palestinian refugees stay in Lebanon and be absorbed there; the Maronite regime has an opposite interest. And as President al-Jumayyil declared at the U.N., in his opinion they should return to Israel and have the right to self-determination.

Thus there is a clear conflict of interest between Israel's goals and those of the new Maronite regime, which is estranging itself from the power which put it in office and even refusing to meet with its saviors. And if we add to that the fact that the war in Lebanon, in contrast to the limited campaign, has exacted from Israel an unbearably high price in blood, in money, in international stature, in loss of U.S. support--we can begin to understand the size of the failure.

What do we do now? The truth is that we are not indifferent to the nature and quality of the regime that will rule in Beirut, and we have an interest that PLO people not return. There is no need to say that we would like to see a northern neighbor that would make peace with Israel, dissociate itself from the cycle of violence toward Israel and open its border to us. But the goal cannot be achieved simply by military force. The fact is that at the beginning of the war, the prime minister and defense minister spoke about a triangle of peace--Egypt, Lebanon and Israel--while within a short time the mess in the north is threatening the tender shoot of peace with Egypt, a peace which has not yet struck root.

We will not be able to solve Lebanon's problems with the force of our army, but we have a right to expect that the U.S. and other Western states will see to it that after the withdrawal of all military forces from Lebanon, Lebanon would remain in a prowestern framework and the Syrian-PLO threat would be removed. This is a clear Western interest, and even though we are concerned about it, it is not our job to maintain it.

In order to reduce our involvement in Lebanon, in order to lessen the price that we are likely yet to pay, in order to restore and reestablish the national consensus--we must return to the declared goals of the "peace for Galilee" campaign and thus recognize that the war in Lebanon has been a failure: we have not purchased a friend in Beirut; we have not uprooted the terror network; we have not even "cleansed" the territory that is under our control; we will not achieve full formal peace with Lebanon.

These words are not written out of perverse joy or political considerations. Just the opposite, if only the government could succeed in achieving its goals: after paying such a high price, it would be good if we could console ourselves that the price was not paid in vain and that the victims died for a purpose. But in reality there is no basis for that. Military force did not achieve its goals.

It would be better to recognize that than to continue to sink in the quagmire, so demanding and ensnaring. It would be better to go back to the original idea around which we can draft a decisive majority in the Knesset and among the people: to defend the Galilee and the peace of its inhabitants--yes, to be kingmaker in Beirut--definitely not.

9794

CSO: 4423/47



PEACE WITH EGYPT TERMED A JOKE AT ISRAEL'S EXPENSE

Tel Aviv MA'ARIV in Hebrew 5 Nov 82 p 18

[Article by Shmuel Katz: "A Reminder to Those Who Have Been Lulled to Sleep"]

[Text] Suddenly a lot of noise is being made about the violations of the peace treaty by the Egyptians. "Suddenly" it is not only that Egyptian leaders are making warlike pronouncements that simply do not jibe with a state of peace, but on all fronts it is being revealed that those paragraphs in the peace treaty which the Egyptians are not violating, they simply do not uphold.

In government circles, so it was reported, particular anger was aroused, even astonishment, by the declarations of the Egyptian defense minister Abu-Ghazalas, which called for a united front of Arab states against Israel in order to neutralize her military superiority. While this was going on we are reminded--suddenly--that since the signing of the peace treaty Egypt has been strengthening her armed forces, reinforcing her armored units, expanding her air force (President Mubarak has already managed to say that this in no way connected with relations to Israel).

It is possible to understand the anger in the government since Abu Ghazalas's words refute its boast (with the heated agreement of the opposition) that as a result of the peace treaty "Egypt has been withdrawn from the cycle of wars" with Israel. But there is an air of hypocrisy to this expression of amazement. Abu Ghazalas did not attack the peace process, not by one word more than the declarations of Egyptian leaders have attacked it since the signing of the Camp David accords. Two and a half years ago his predecessor as Defense Minister, Ahmad Badawi, delivered a speech which heralded not only the idea that Egypt's obligations towards her sisters, the other Arab states (to go to war at their request) are fully valid, but that Egypt maintains "comprehensive military cooperation with most of the Arab states apart from the rejectionist states." "Egyptian officers and experts, the minister said, are active in those countries, and hundreds of officers of the other states maintain that faith in Egypt (HA'ARETZ, 29 May 1980).

No one reacted then. The government was silent, the media were silent--just as they were silent regarding all the signs and evidence that were revealed indicating that the peace treaty is nothing but a historic joke at Israel's expense. They walked on tiptoe in order not to arouse the public.

However Badawis words were only one example of Egypt's thinking and intentions regarding Israel. Before that, only six months after signing the peace treaty (on 13 Sep 79), Dr. Butros Ghali, minister of state for foreign affairs, declared that "in case of war between Israel and Syria, Egypt would honor the collective defense treaties of the Arab states and, at Syria's request, would come to her aid." On that same occasion (a press conference in Paris), Ghali explained that those defense treaties were not void - because of the peace treaty with Israel, and that they even took precedence over it. Ghali repeated a similar declaration two years later, at the height of the attack by the Syrian army on the Lebanese town of Zahlah; and in the same period (June, 1981) Ghali appealed to participants at the conference of foreign ministers of states of the "Organization of African Unity" to set up a "united front against Israel."

It has turned out time after time that the good news about Egypt's being withdrawn" from the cycle of wars against Israel has not yet reached the ears of Egyptian leaders.

Even from the beginning Egyptians did not hide their true feelings. Now, when many in Israel have begun to discern that the peace treaty is not worth much more than the scrap of paper that it is written on, it is important that we go back and look at the beginning.

In November of 1978 an announcement was made throughout the world that an agreement had been reached in the form of a peace treaty and, in fact, the formula was published--but the signing was delayed four months because Sadat demanded a small correction: the paragraph was to be stricken which stated that this treaty cancels Egypt's obligations to go to war against Israel according to defense treaties with Arab states. Israel's prime minister, in a U.S. interview, claimed correctly that this paragraph was the "heart of the treaty," and without it, it would become a war treaty, "a sham treaty" in his words.) But in the end an addition was made which neutralized the paragraph that Sadat did not want in it, that is, "the heart of the treaty."

But what is essential is that the quality of the president of Egypt's thought process was revealed then in the peace negotiations: how to assure "legitimization" of a future war against Israel.

Therefore in those very days, in the period of the freeze in the signing of the treaty-between November 1978 and March 1979, Sadat declared time after time that Egypt would remain faithful to the defense treaties with the other Arab states (and also to her PLO obligations); and Dr. Ghali, when asked under what kind of conditions he foresaw the upholding of these obligations, answered, on the spur of the moment: "Egypt's entry into the 1948 war" (Egypt in 1948 joined the annihilation offensive against the State of Israel which had been born within the borders of the original partition of 1947 after the other seven Arab states at that time decided to start the war).

During the entire period since the negotiations for the peace treaty, there has been no sign, not even one, that the Egyptians have turned their back on their traditional attitude toward the Jewish state, an attitude which stems from deep sources of historical Arab-Muslim imperialism, reinforced by frustration and hatred not only toward Israel but toward the West in general, with whom they identify her. Egypt's purpose, like that of all the Arab states is that Israel be eliminated as a country.

The intellectuals among them do not give expression to their belief in the coarse terms of Qaddafi or the PLO, but by elegant negation of the right of the Jews to recognition as a people. Thus Mustafa Khalil, former prime minister of Egypt, did not hesitate to express himself at a symposium at the University of Tel Aviv last year. This declaration of his was but an echo of a thesis which received "scientific" expression a number of years earlier at a symposium of intellectuals in Cairo; in an interview in that year Butres Ghali asserted that if Israel were to insist on her very radical stand, on her right to sovereignty, "I suppose that there will not be peace in this area" ("Middle East Review," fall 1975).

Israel was consigned to a less gentle fate by the deputy prime minister of Egypt in the days of Sadat (and his confidant), Dr. Hassan Toamey, one year after the signing of the peace treaty. He expressed confidence that "the end of the mini-state called Israel was close at hand."

To add insult to injury he added that "the Jews are traitors and hypocrites, and it was not for nothing that they have been called that in all the history books" (HA'ARETZ 5 Feb 80).

There are many examples; the Egyptians have acted in commendable frankness. Indeed their puzzling behavior makes sense, given their understanding of the strength of the desire of Israel's leaders to "achieve" a peace treaty at any price. This also explains why Israel's leaders close their eyes to the wealth of conspicuous evidence that, for the Egyptians, the essence of the peace treaty is their reconrol of Sinai.

Thus in the south the Egyptians have achieved their first interim goal--Israel's withdrawal from all of the territory which she conquered in 1967. To be sure, they were forced to take on certain procedural obligations, but from the first they were careful to implement only minimally these obligations that they could not get out of, in order to "keep up appearances"; the others they did not implement at all.

With the opportunity that came their way because of the war in Lebanon (and the frustration that was caused to them because of the sever blow that the PLO suffered, the spearhead of the continuous war of attrition against Israel), they found an excuse to reduce even the appearances--until it seems to be nothing more than dry bones.

The sad state of the peace treaty is so pronounced that even Dr. Yochanan Beder no longer holds back and has asserted unequivocally that "what we now have is a total violation of the peace treaty." (MA'ARIV, 1 Nov,) and points, among other things, to the lack of a cultural agreement, which was "promised" in the peace treaty, as well as a commercial agreement; that has been published is that real trade relations have been systematically delayed by the Egyptian authorities while cultural relations are not even mentioned.

With regard to the paragraph in the treaty which prohibits hostile propaganda, the Egyptians never honored it from the beginning. The horrible poisonous propaganda that fills the media, which are entirely controlled by the government, has become more frequent since the war in Lebanon, but it has been conducted at every convenient opportunity since 1979.

The authorities in Cairo have no desire to sow friendship and understanding among the Egyptian people toward the people of Israel, nor even to allow personal acquaintance. Apart from the meager content required by a situation of formal peace, the Egyptians see their relations with Israel as they were before 1977. Even then they did not intend and did not prepare to initiate a "hot" war (except by means of the PLO). Together with the other Arab states, they conducted their struggle through diplomatic propaganda--which is what they are doing now. The difference is only this: Sinai is in their hands and the strength of their struggle and hope has increased to tear Judaea, Samaria and the Gaza Strip away from Israel as well.

Sadat has died, but his teacher and patron Habib Bourguiba, can rub his hands with satisfaction for this was his idea of a "moderate" policy for the destruction of the Jewish state--to conduct a diplomatic struggle against Israel, to organize international pressure against her until she would give up in stages the territories that she conquered, until she would be squeezed into the partition borders and then--what would be easier than with united Arab forces to annihilate her?

Israel's problem is not confined to the hostile intentions of the Arabs, but in the refusal of its leader (in the opposition no less than in the government) to face the truth.

9794

CSO: 4423/47

## INCREASE IN UNEMPLOYMENT DUE TO DEMOBILIZATION REPORTED

Tel Aviv HA'ARETZ in Hebrew 10 Nov 82 p 9

[Article by Arye Lavi', economic correspondent: "These Released From the Reserves have Increased the Number of Job Seekers"]

[Text] The release of many of the reservists who served in Lebanon in the wake of the "peace for Galilee" campaign has increased the number of job seekers in recent weeks, according to reports that have reached the employment service from the various offices. This after stability in recent months in the employment situation and even some indicators pointing to a reduction in the number of job seekers.

It is felt in the employment service that only at the end of the month will it be possible to get a clearer picture of the job seekers who have returned to the offices because of the "peace for Galilee" campaign, but already in the October statistics there is an increase in the number of unemployed. It should be noted that employers must return released reservists to their jobs, and therefore temporary workers who took the place of the reservists were fired.

In October, the number of job seekers grew by 2,800, about 7.6 percent of all job seekers for that month. The number went up to 36,900. In recent months the number of job seekers has fluctuated around 32-34 thousand. At the beginning of the year, the number reached 33,000.

### More Job Offers

A significant increase was registered in the number of job offers, which reached 19,000 as opposed to 16,100, an increase of 18 percent. In October the number of unemployed grew six days and more and reached 14.3 thousand as opposed to 13.5 thousand in the month of September. An indicator of the improvement in the employment situation is the number of offers not supplied by the offices, the number of which in the month of October grew to 2,550 as opposed to 2,100 offers in September, an increase of 21 percent.

An additional statistic pointing to an improvement in the employment situation is the number of those certified for social security for the purpose of receiving unemployment compensation. The number of certificate receivers declined to 10,026 as compared to 10,850 in September.

The HA'ARETZ correspondent notes that lately a striking increase is being felt in the number of employed from Judaea, Samaria and Gaza. In October the number of employed, by permit, from the occupied territories reached 54.5 thousand as compared to 48-49 thousand in the preceding months, this without considering the number of employed from these places without permit.

9794

CSO: 4423/47

# NATIONAL BANK ACTIVITIES OUTLINED

Kuwait ARAB OIL in English No 11, Nov 82 p 15

[Text ]

**T**he National Bank of Kuwait held its third exhibition in the lobby of the Holiday Inn Hotel from October 19 to 26 in Kuwait.

The opening ceremony was performed by the hotel's general manager — Costas Vafopoulos, and attended by Dawood Al-Ateeqi, Habib Azar and Asad Khader. Also present were Emile Ghanime and Adnan Saad of the Holiday Inn Hotel.

In the Middle East, Kuwait has always led the way in international investment. It has served as a model for the skillful handling of loans, joint ventures and investment programs that now help build business around the world — and one bank which is notably in the lead in this demanding area is the National Bank of Kuwait.

Recently, NBK has helped raise loans for companies in Africa, Asia and Europe acting as agents for the international banks involved in the syndications as well as providing funds ourselves. In the past year alone, NBK lead or co-managed loans exceeding 2 billion dollars.

NBK has been at the heart of Kuwait's financial and business development since 1952. Today, with over 30 years' experience and total assets of 9.111 billion dollars, NBK is Kuwait's largest and oldest Kuwaiti bank.

NBK's network consists of over 40 branches in Kuwait and over 750 correspondent banks worldwide and representative offices in London and Singapore.

To service the growing needs of its customers, NBK has added Holiday Inn branch to its domestic network. This branch is headed by Fouad Sakir and is fully equipped to offer complete range of banking services to not only the hotel residents but also to companies and general public in the vicinity of the Holiday Inn Hotel.

CSO: 4400/117

## DIVERSIFICATION OF INVESTMENT PLANNED

Paris AN-NAHAR ARAB REPORT & MEMO in English No 39, 15 Nov 82 pp 5-6

[Text]

Kuwait is seeking ways to diversify its investments and is planning to coordinate its investment and aid policies to permit more investment in developing countries of the Third World, Kuwaiti Finance Minister Abdul-Latif al-Hamad told visiting journalists last week. Mr Hamad said the Kuwait Fund for Arab Economic Development (KFAED) had been instructed to identify possible projects in developing countries where commercial investments could be made. Such placements would possibly, though not exclusively, be made in association with loans from the fund, Mr Hamad said.

Mr Hamad is, of course, ideally placed to work with KFAED: he headed the fund until his appointment to his present post and he was one of the Arab members of the Brandt Commission on the needs of the Third World. He told the journalists he believed the future for the world lay in developing the Third World and that Kuwait was trying to do its part in this through the fund. KFAED is soon to extend its activities to Latin America for the first time, he added.

But while KFAED is in the soft loan business, Mr Hamad made it very plain that there is nothing soft-headed about Kuwait's investment strategy. The state would continue to seek quality investment opportunities, wherever these might be. "The recession and oil glut constitute a welcome boom to rational expenditure, with the country seeking maximum value for every dinar expended and looking for areas where we could put the dinar to our best advantage," Mr Hamad declared. It was a strategy, he conceded, that presented some difficulties. "The problem is that some countries like Japan do not seem to welcome foreign capital. You can buy Santa Fe (an American oil exploration and engineering company purchased by Kuwait last year for \$2.5 billion) but you cannot buy Mitsubishi."

Turning to the Kuwaiti economy, Mr Hamad said the country was giving serious thought to ways of stimulating activity. "Until now," he said, "the budget has been the main locomotive. But clearly we need more than one



locomotive. We are looking at how the private and mixed economy can be used."

Mr Hamad said it was "not exactly true" that Kuwait could meet its foreign exchange obligations from its overseas investment income. "Those who think like that confuse the country's reserves with government expenditure," he said. "Last year, we ran a 10 to 12 per cent budget deficit and the situation this year cannot be better." As one result, he said, Kuwait was giving serious thought to introducing new forms of indirect taxation in addition to existing taxes such as customs dues and the tax on cigarettes.

But Mr Hamad ruled out imposing a direct tax on incomes. "The administrative machinery for tax collection is so vast and complex that it makes the whole process unviable," he said. "In addition, you need an enlightened citizenry. Even those who now have the system are thinking of dismantling it. So why should we take it up?" Kuwait's priorities at home, he asserted, would continue to be to improve the quality of life for individual Kuwaitis by developing communications and transport. "The traditional social services provided to the people such as free education and health services will not change," Mr Hamad declared. "They must not change. What must change is wasteful expenditure seen against the reality of the budget."

CSO: 4400/117

KFAED MAINTAINS AID OUTLAY

Paris AN-NAHAR ARAB REPORT & MEMO in English No 38, 8 Nov 82 p 5

[Text]

Kuwait's expenditure on grants and concessional loans to the Third World will remain at about the average level for the last five years, in spite of lower oil revenues in recent months. Bader Humaidhi, deputy-director for finance and operations of the Kuwait Fund for Economic Development (KFAED), was quoted as saying that spending by the fund might fall by about 25 per cent this fiscal year, compared with 1981-82. This, however, was because 1981-82 had seen extra aid efforts by the fund to mark its 20th anniversary as Kuwait's official agency for grants and development loans. Mr Humaidhi added that several especially large projects had also been approved last year. He predicted that the fund's commitments in the current year were expected to amount to KD 150 million (\$525 million), or close to the average for the last five years.

KFAED began lending to China for the first time last year and more commitments there were likely in the next few months, the official said. The fund is also considering providing \$50 million for a gas pipeline project in India.

KFAED, which has an authorised capital of KD 2 billion (about \$7 billion) and a paid-up capital of some KD 800 million (about \$2.8 billion), concentrates its lending activities on energy-related projects and assistance in establishing basic infrastructure in developing countries. Fund loans carry maximum interest rates of 4 per cent and are repayable over periods of 15 to 20 years.

CSO: 4400/117

## RISE IN INCOME REPORTED

Kuwait ARAB OIL in English No 11, Nov 82 p 15

[Text]

Kuwait's per capital national income increased from 4,780 dollars in 1971 to 23,220 dollars in 1980 according to the 'National Accounts' publication released by the Central Statistical Office, Ministry of Planning.

The report also presents the statistics on gross domestic product, gross national product and national income at the current and constant prices for the decade 1971-80.

In terms of comparisons the total gross domestic product registered an increase of 10.5 per cent from 24,274 million dollars in 1979 to 26,823 million in 1980. Oil sector, which accounted for 71 per cent of the GDP increased from 17,287 million in 1979 to 19,029 million dollars in 1980. Non oil sector maintained a growth rate of 11 per cent during 1980, slightly higher than the oil sector.

In terms of expenditure the statistics indicate that private consumption expenditure moved up by 26 per cent, followed by government consumption expenditure by 13 per cent and gross fixed capital formation by 11 per cent.

The 1980 figures recorded for imports of goods and services amounted to 9,594 million dollars as against exports figures of 2,183 million dollars.

The Ministry of Planning has also released statistics on the government revenue and expenditure by economic and functional categories for the period 1971-72 to 1980-81. The figures are based on the reclassification of the closed accounts of the government.

KUWAIT

BRIEFS

KIO REDUCES STAKE--The Kuwait Investment Office (KIO), the arm of the Kuwaiti ministry of finance in London, has further reduced its stake in the London property group, Property Holding and Investment Trust, stock market sources said recently. The KO now holds three million ordinary shares or 7.85 per cent in the company, which has considerable property interests in the fashionable West End District of London. [Text] [Kuwait ARAB OIL in English No 11, Nov 82 p 11]

CSO: 4400/117

## BRIEFS

IRAQ JORDAN AIR FREIGHT COMPANY--Iraq and Jordan have established a joint air freight company which will concentrate on flights between Amman and Baghdad but will also be able to fly freight on a charter bases elsewhere in the Middle East. The new company, Arab Air Cargo, has a capital of \$60 million provided in equal shares by the governments of the two countries. According to the company's Director General Salah Hussein, Arab Air Cargo is already operating two Boeing 707 freight aircraft and has plans to increase the size of its fleet to four aircraft soon. Arab Air Cargo's head office is located in Amman and there is a branch office in Baghdad. Alia, Jordan's flight-carrying airline, and Iraqi Airways are acting as agents for the new freight company. Text [Paris AN-NAHAR ARAB REPORT & MEMO in English No 38, 8 Nov 82 p p 5]

PETROCHEMICAL DEAL--Kuwait Petrochemical Industries Company has bought 49 per cent of the shares of the Tunisian Qabes Fertilisers Company under an agreement signed in Tunis. The joint venture agreement between Kuwait and Tunisia was signed during a ceremony in Tunis attended by the Tunisian Minister of Finance, Abdul Aziz Al-sram, Kuwait's ambassador Mujren Al-Ahmad and the ambassador of Tunisia in Kuwait, Mohammed Moghdiesh. Qabes Fertilisers plant, with an annual turnover of 100,000 tons of ammonia phosphates, had an initial capital of nearly two million dollars. Under the agreement, it has been raised to 12 million dollars. Under the joint Kuwait-Tunisian venture, the plant will be expanded to include a new unit for the production of the diammonia phosphate fertiliser (DAB) at an annual capacity of 330,000 tons in addition to 500,000 tons of complex fertilisers every year. [Text] [Kuwait ARAB OIL in English No 11, Nov 82 p 11]

ADFAED LOAN TO YAR--The Abu Dhabi Fund for Arab Economic Development (ADFAED) has made a further loan of Dirhams 15 million (about \$4 million ) to North Yemen for a water and drainage scheme in the souther province of Taiz. ADFAED's first contribution to the project, which is also being funded by Saudi Arabia and the US, was a \$40 million loan extended in 1978. The new loan is repayable over 15 years with a grace period of five years at an annual interest rate of 4 per cent. The \$100 million project is scheduled for completion next June. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO In English No 37, 1 Nov 82 p 7]

## INDUSTRIALIZATION PLANS REPORTED ON SCHEDULE

Kuwait ARAB OIL in English No 11, Nov 82 p 93

[Text]

**Q**atar's aim of setting up a wide range of diversified industries to provide an alternative to income from oil exports is well on the way to being achieved. In its 1982 Industrial Directory, for instance, Qatar's Industrial Development Technical Center (IDTC), lists some 334 industries, most of which are non-oil based, reports the Arab British Chamber of Commerce.

The report said that Qatar recognised the need for industrial development early and its first big industries — flour milling, cement and fertilizer production, — were set up in the early 1970s. Since 1974, when higher oil revenues permitted faster growth, a steelworks, natural gas liquids plant and petrochemicals complex have been added. With the oil refinery, first opened in 1953 and later expanded, these forms the backbone of industry in Qatar.

Qatar National Cement Company's works at Umm Bab was the first non-oil industry to be established, in 1965. Its capacity has been gradually increased to 300,000 tonnes a year, so successfully that the company is contemplating trebling output through the addition of one large kiln. By June 1982, bids for the kiln had been received and construction was expected to start towards the end of the year.

Next to be set up was the flour milling industry. Qatar Flour Mills Company was founded in 1969 and its 100 tonnes-a-day wheat milling plant started operating in 1972. This industry, too, is to be expanded through the addition of further milling capacity, silos, warehouses and a jetty able to take bigger vessels than at present.

The flour mills already supply a large number of local bakeries, some specialising in exotic breads. Two more, producing Euro-

pean-style loaves, are now entering production.

**Contribution**

Another industry, which has made a substantial contribution to exports, is fertiliser production. Using natural gas feedstock available locally, the Umm Said Qatar Fertiliser Company (QAFCO) began production in 1973. Like the iron and steel company, QAFCO is a joint venture with foreign companies. The Qatar government holds 70 per cent of the shares while the remainder is held by Norsk Hydro of Norway (25 per cent), Davy Power Gas (3 per cent) and Hambros Bank (2 per cent).

Shareholders in the Qatar Steel Company (QASCO), meanwhile, are Kobe Steel (20 per cent) and Tokyo Boeki (10 per cent), both of Japan. Iron ore and steel scrap for the works are imported, the iron ore coming mainly from Brazil, Sweden and Norway and the scrap from the US. Lime is supplied locally by Qatar National Cement Company.

For at least the last three years, QASCO's output has exceeded the works' nominal annual capacity of 330,000 tonnes of reinforcing bars. In 1981, its output reached an impressive 455,000 tonnes, around 85 per cent of which was exported — mainly to other Arab states. In future, too, QASCO may export more than steel. Its advice has already been sought, for example, by Saudi Arabia's new steelworks at Jubail.

QASCO has supplied steel for many local projects, including recently opened Doha Sheraton. Its presence has also given rise to a large number of small, local metal industries. These include manufacturers of steel doors and window frames, water tanks and galvanised steel pipe for air conditioning.

The most recent addition to heavy industry in Qatar is the petrochemicals plant, a joint venture with CDF-Chimie of France, opened last year. Like the oil refinery and natural gas liquids plant, it was built as part of the plan to process as much of the state's energy resources locally as possible. Oil refining capacity is being increased further but plans to expand petrochemicals production are still under study.

### **Skills**

Most other industries in Qatar have developed from traditional skills like boatbuilding, furniture-making and jewellery work. These are now among the many light industries in the state which the IDTC is particularly keen to encourage.

Under IDTC supervision, studies have been done on the feasibility of setting up many more light industries, including plants to make biscuits, soap and perfume, plastics, floor coverings, sand-lime bricks, car batteries and asbestos cement pipes and sheets. One such scheme that has already reached fruition is a paint factory, opened in February this year. A joint venture, whose main shareholders are the local Mubarak Bin Saleh Al Khulaifi and Sons and Hempel of Denmark, it has capacity to produce three million litres of paint a year for industrial, marine and other uses.

CSO: 4400/122

## GAS SWEETENING PLANT PLANNED

Kuwait ARAB OIL in English No 11, Nov 82 p 92

[Text]

**T**HE Qatar Fertilizer Company is planning to set up a gas sweetening plant to desulphurise offshore associated gas and turn it into ammonia and urea, according to the Weekly Gulf Times.

The 60 million dollars project comes in the wake of a gas supply shortage experienced by most hydrocarbon-based industries in Qatar which have been compelled to operate well below their normal capacities.

Qafco is running at about 85 per cent of its capacity. Its production last year amounted to 447,000 tonnes of ammonia and 575,000 tonnes of urea against its nominal capacity of 1,800 tonnes a day in the case of ammonia and 2,000 tonnes a day of urea. But this year, Abdul-Reda Abdul-Rahman, Qafco's production manager, and Ottar Berge, maintenance manager, say that the company might be able to produce about 500,000 tonnes of ammonia and more than 600,000 tonnes of urea, despite the gas shortage.

Qafco uses between 110 and 115 million cubic feet a day of gas as feedstock. Most of the supply comes from onshore oilfields and Khuff non-associated gas reserves. A small portion comes from offshore oilfields.

By setting up a gas sweetening plant of its own Qafco is planning for the day when it will be able to desulphurise the resumed supplies of gas for ammonia production.

The Netherlands' comprimo has been chosen to supply equipment for the project and tenders for civil, mechanical, electrical and instrumentation works are to go out by the year end.

Qafco also proposes to set up a computerised control room at cost of about 2.08 million dollars to replace the traditional numerical one which is now outdated. Four companies are bidding for the project.

Qafco's new Ammonia-II and Urea-II

plants, which were set up in later seventies, at a cost of 2.77 million dollars possess some of the most technologically advanced machinery in the world.

**Market**

The world urea market is currently deeply depressed and many plants in the USA, Japan and Europe have closed down due to a recession. "But we are in a good shape compared to other manufacturers. We have the advantage of cheap feed," said Berge. Qafco's products sell in India, Pakistan, and China. "We have also a wide market in Mexico, Australia and the US, but less attractive," says Berge.

Gulf states do not present any competition to Qafco's products although two new plants in Al-ruweis (Abu Dhabi) and Al-Jubail (Saudi Arabia) are planned. However, Abdul-Rahman sees no immediate rivalry. "It takes a long time for an ammonia plant to get into full production," he said.

Qafco has attained a high level of efficiency and given the full quota of feed both the urea and ammonia plants can surpass their nominal capacities any day. Once already the Urea-1 operated at 105 per cent of its capacity and Urea-II at 107 per cent, Abdul Rahman said.

The Company is working on a major program to eradicate corrosion — a problem posing a serious threat to industrial undertakings throughout the Gulf. A survey has been carried out and it is proposed to "Seal" concrete surfaces with special coating. The project is likely to be included in next year's budget.

Another scheme is the construction of 96 family apartments for intermediate staff in Umm said. Al-Mana Consultants International have been retained to design the 11.11 million dollars housing complex. Tenders for the construction are to go out by the year end.

Qafco employs about 1,000 people — of which about 14 to 16 per cent are Qataris.



## BRIEFS

LOCAL GASOLINE PRICES--The Qatari government has decided not to increase for the time being the local prices of gasoline and diesel fuels despite the recommendations from the Arab Energy Conference and the Gulf Cooperation Council that these prices should be raised to international levels. This was reported last week by the Qatari daily Gulf Times, which quoted an official source. The Qatari government had earlier asked the state-owned National Oil Distribution Company (NODCO) to draft increases in prices of local fuels to bring them into line with other member states of the Gulf Cooperation Council (Saudi Arabia, Kuwait, the UAE, Bahrain and Oman). Recommendations were prepared after consultations with local service stations but the Gulf Times indicated these will not now be put into force. Super gasoline costs \$0.09 per litre in Qatar and ordinary grade gasoline \$0.06. This is well below prices elsewhere in the Gulf: super grade costs \$0.21 per litre and ordinary \$0.19 in Dubai, super grade costs \$0.18 and ordinary \$0.16 in Abu Dhabi and Bahrain charges \$0.19 per litre for super and \$0.15 for ordinary gasoline. The highest prices in the Gulf are in Oman, where super grade costs \$0.32 per litre and ordinary gasoline \$0.30. Qatar produces gasoline locally at its 10,000 b/d refinery at Umm Said but imports diesel oil and jet fuel at an annual cost of more than \$27 million. Next year, however, Qatar plans to become a net exporter of refined products when a 50,000 b/d refinery being built alongside the older plant comes on stream. France's Technip construction company hopes to complete the refinery by the second quarter of 1983. The \$130 million plant is being built for the Qatar General Petroleum Corporation (QGPC), which will run the plant for a trial period of three months before beginning commercial production. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO In English No 38, 8 Nov 82 p 8]

PETROCHEMICAL COMPANY DEBT REFINANCE--The Qatari Petrochemical Company (QAPCO) last week asked Arab banks to increase a planned \$60 million loan by \$15 million to refinance debts due to lower than expected output of ethylene from its plant because of insufficient supplies of associated gas feedstock. The plant has an annual capacity of 280,000 tons of ethylene and is jointly owned by Qatar, which holds 84 per cent of the equity, and France, which has a 16 per cent stake. QAPCO also has a 40 per cent holding in France's CDF Chimie petrochemical complex at Dunkerque and CDF Chimie markets QAPCO's products. The loan for QAPCO is being lead managed by the Qatar National Bank and the Gulf Petroleum Investment Corporation (Apicorp) is acting as agent for the loan. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 38, 8 Nov 82 p 8]

BALANCE OF PAYMENT SURPLUS--Qatar registered a significant surplus in its 1981 balance of payments compared to previous years, according to Gulf Times. Qatar, which contributed 33.5 dollars per inhabitant to various UN bodies, exported goods worth 5.9 billion dollars in 1981 while imports for the same period amounted to 1.5 billion dollars thus recording a surplus of 4.3 billion dollars. Qatar's returns come mainly from oil export (daily average production is currently 350,000 barrels) while gas, petrochemicals and steel account for a relatively small proportion of export value. Qatar produces 55.7 percent of its vegetable requirements while local produce covers 80 percent of fish consumption. Durable goods, cars, textiles, grains, oil, seed oil and construction materials constitute the bulk of Qatar's imports. [Text] [Kuwait ARAB OIL in English No 11, Nov 82 p 92]

CSO: 4400/122

FEW JOBS FOR WOMEN GRADUATES IN ADMINISTRATION, ECONOMICS

Jiddah 'UKAZ in Arabic 30 Oct 82 p 14

[Article by Khuzaymah 'Attas and Ahlam Bashtah: "Problem Awaits Solution: University Women Unemployed"]

[Text] Education has been and still is the main way for people to achieve their goals in life and the means of raising their intellectual, social and economic levels. When officials in this country began to take an interest in the individual, whether man or woman, the basic premise was the principle of granting opportunities for education to all so that these educated minds could become leaders in all fields, because of the belief that educated nations create civilized societies. Schools and universities for both sexes spread to all parts of the Kingdom, and employment opportunities were available for all parties in the best positions. Saudi women entered a new stage of employment and responsibility when job opportunities were opened to them in the educational field on all levels. After the expansion which our country experienced in all fields in accordance with the state's development plans, job and education opportunities expanded. University women were given the opportunity to pursue careers in keeping with the principles of their beliefs and their society. They staked out their educational domain, participating in the media, health, social and economic fields.

In their desire to participate in this vast growth and expansion, they entered most scientific studies which are in keeping with the needs of our society. The opening of the College of Administration and Economics in the University of King 'Abd-al-'Aziz in Jiddah, which was considered the first division of this university to be opened to women students, was one of the hopes dreamed of by the women of this country: that they might begin to participate in administrative work through a complete program of study. In private enterprise, however, these hopes have been shattered. The graduate of the College of Administration and Economics becomes just a "teacher" in one of the schools after a training session conducted in public administration to educate girls who want to work in the educational field and who are graduates of King 'Abd-al-'Aziz University, whether from the department of administration or another department!! Naturally we all realize that we need Saudi women as teachers so that we become self-sufficient at all educational levels, but is it not possible to get them from other fields of specialization? Put an administration and economics graduate in a post in keeping with

the nature of her studies, whether in the educational field of public administration or in another field, especially since we are coming to a great expansion in the field of female administrators!

As a result of that, many women administration and economics graduates feel frustrated and hopeless as they await relief from the Civil Service Administration to resolve their situation and settle their employment future. They await a speedy solution by all parties concerned in the matter, headed by the Civil Service Administration, which is still studying this matter!! They also expect help from the General Directorate for Women's Education, "especially after it abolished the study courses for university graduates this year!!", so that this diploma does not become a misfortune to its owners!

To demonstrate, these female graduates of the College of Administration and Economics tell about their problems themselves so that the officials and other parties concerned may have a clear picture. Graduate Isma' al-Suwaylim tells of her problems after graduation.

#### 9 Months of Waiting

"Finding a position suitable to the nature of my studies was my big dream, but it became a problem which I lived with for 9 months. I still don't know whether I have a position. I am still shuttling between the Civil Service Administration and the Women's Employment Office, and I hear again and again that 'the subject is being discussed and we don't yet know the results of these discussions'! Frankly, these negative replies have made me feel frustrated because of the sin of being a university graduate, or more properly speaking, because I was a graduate in administration and economics. I have not found any help or understanding from either office. Quite the opposite, since they believe that the only field is teaching. We cannot even enter this field if we agree to it because we are not qualified educationally, and because of this they cannot find another position for us at present."

Isma' adds: "I want to know only one thing: How long are we to wait?! Have we indeed reached the stage of self-sufficiency in women graduates in administration and economics in all fields?!"

As to the solution, she says: "I believe that there are several solutions for us, with a little cooperation from all state institutions. For example, if the government hospitals were to open special women's divisions where women would serve as administrators without mingling with men, as is now the case in the university hospital in Riyadh. Or if the postal and telephone offices and other government facilities which have dealings with women would open special women's departments. There are many women who have no one to serve them, and they are forced to go back to contacts with men, and they must endure long waits in their positions until their needs are settled!! The female administrative graduate can make use of her abilities, and the university must add her voice to the voices of its graduates and try to ensure that its graduates are able to perform the work for which they were trained."

## No Work For Us Outside Teaching

Sa'ad al-Arna'uti, a graduate with the first class of 1402, says: "I began to travel and am still traveling between the university, the Civil Service Administration, and the Employment Office. I applied for an administrative position at the university, but after a long wait I received only one reply, which was that there is not enough money in the budget for administrative posts although the university needs these positions because of the increasing number of female students and the expansion of its departments. I went to the Civil Service Administration in the hope that I would find a post there, but I found that they do not yet acknowledge that we are administrative graduates. Work as a teacher is impossible for us because we are not educationally qualified, according to what we have been told. How are we to become qualified if they have abolished the training course which used to be given to university graduates?! Therefore we find no positions in the General Directorate as a teacher. I tried to contact the 'men's branch' of the Civil Service Administration, but the reply was that there were no administrative positions at the present time. You can try at one of the schools, but it is futile. My resume has passed between the Civil Service Administration in Riyadh and Jiddah, and the result is the same: there are no positions. I tried to work as a daycare teacher at one of the day nurseries under the General Directorate, and I actually found that they needed a teacher. I asked the director of the center to submit information through the General Directorate. I went to the women's employment office to have the proper official take the necessary steps, but she surprised me by saying that I was unqualified for this post.

"What solution do you see?! Are we the reason why the training course was abolished?! Why was it abolished?! The question I want to have answered is: How long will I have to shuttle between the Civil Service Administration and the Employment Office?! Aren't there employment fields for us outside of teaching?!"

## We Demand Proper Treatment

Graduate Jamilah Ka'ku tells her story: "My problem is finding a position after graduation. Naturally I am not standing still with my hands tied. I tried to contact the Women's Employment Office and the Civil Service Administration in Riyadh and Jiddah, but I got the same answer: no jobs for an administration and economics graduate, even in the schools, because we are unqualified. It would be better for us to be secondary graduates. We are in a stage of growth, development and reconstruction. How can it be that no one makes use of our background?! This problem will deepen if we do not work together to find solutions quickly, especially since the number of women administration graduates is constantly growing. In my opinion, the solution is to find new employment fields in keeping with our abilities and the needs of our society, because we want to participate in the structure. We are not a paralyzed half of society; treat us properly, Civil Service."

## Banking Positions Limited

Graduate Zanubah Bakhzalqi adds: "It is a problem for all of us, and the result is the same: The subject is under study. How long will these studies last?! Work in the private sector, such as banks, for example, has become overcrowded with female employees. Even if I found these positions, their number is limited. I believe that the solution lies in the cooperation and participation of all institutions and ministries concerned with the matter. When are we to achieve our dream? Or should I try to hide my diploma, because it is an affliction?! We must be given job opportunities in the administrative field so that we can gain work experience in our field. Until that happens, I do not believe we will get fair treatment."

One of the graduates of the second class of the College of Administration and Economics in King 'Abd-al-'Aziz University says: "I felt proud because I was one of the members of this college. I was even happier when I graduated because I was about to enter the field of administrative work in some capacity, as long as it served my country and my society. However, I was shocked when I found that I was unemployed because I was a graduate of this college whose graduates cannot find work. I tried to knock on the door of the intermediate college to find work there, but the official there surprised me by saying that I am unsuitable to work as an administrator, because I am educationally unqualified, because I am not a graduate of the College of Education?! I have no experience. Why did I enter this college if the country does not need this specialty? It hurt a great deal to hear these words, especially when I was made welcome to work as an administrator, but on the basis of my secondary certificate. My university degree, which I won after a great deal of effort, means nothing!! It is a great contradiction which I cannot explain! I would like those involved to give us a straight answer. Is it true that the women graduates of the College of Administration and Economics are unqualified for employment?! Who is responsible for that!"

## Dean of Division of Women Students in University Gives Her Views

These are a few examples of the efforts of the administration and economics graduates, but what is the opinion of the officials in King 'Abd-al-'Aziz University?! Prof Fatimah Nasif, dean of the division of women students at the university, says: "When the College of Administration was opened to female students, unfortunately it did not take any part in finding jobs for its graduates or in adopting studies necessary for that. The general directorate's failure to accept the education of young women was one of the causes of that problem. We in turn are trying to find a solution by incorporating a teaching program into the college program so that the students will be acceptable. In my view, since there is no job field to meet the needs of the administrative graduate, we are trying to find a solution to this problem as to whether the necessary studies should be financed gradually for a teaching college or whether the college should remain as is with the addition of the desired teaching course. In my view, the prerequisite of the existence of the teaching course is unnecessary, for the administrative

graduate has the ability to handle administrative matters in any position. I think that adhering to this view is only a sign that they are not really aware of this college's program and the extent of its importance in producing female administrators able to fill positions wherever they are needed. All that I ask is that the Civil Service Administration be more flexible and cooperative in working to solve employment problems, not only for women administrators but for all women graduates."

#### View of University Rector 'Abdallah Nasif

Dr 'Abdallah 'Umar Nasif, rector of King 'Abd-al-'Aziz University, replies: "This problem exists as a result of a lack of productive and positive cooperation by all parties concerned, because it is their duty to find jobs for these graduates and utilize their educational potential as far as possible." Dr 'Abdallah Nasif adds: "I did not know that such a problem existed, but if the reason they cannot find jobs is their lack of teaching courses, then the university is more than willing to establish such courses for these graduates so that they will be better able to serve our society and our nation." As to the solution, he says: "In my view, the solution must come from discussing the problem in a productive way with the appropriate agencies. A special committee will be formed with the participation of the university to find this solution. Also, we must gradually limit the acceptance of women students in the College of Administration and Economics so that we can participate in solving the problem rather than aggravating it with more graduates."

#### Where Is Private Sector?!

We asked Dr 'Abdallah Nasif, rector of the university, whether the university takes the responsibility of employing these graduates in the university or the university hospital. He replied: "The budget is inadequate for that, even if the university were in the most critical need of its graduates. Naturally we will not be able to find work for all of them, but we would be able to play a part in solving this problem by requesting an increase in our budget for next year. Also, we will try to form a committee on this matter. At this time I propose that the private sector participate in solving this problem by forming special women's departments and publicizing these positions."

#### Dr Bakr Qawtah and Graduate Problem

Dr Bakr Qawtah, assistant administrator of higher studies in the College of Economics and Administration, says, in reference to the problem of administration and economics graduates: "This is a very important problem which we must discuss and solve, especially since we are now working on an administrative reform operation in the Kingdom to prepare our nation to join the ranks of the advanced states. The burden of making use of these graduates rests on the Civil Service Administration, for I believe, and our experience has shown, that the female graduates are extremely capable and have even reached a higher level of ability than the male students. That is attributable to several reasons, including intellectual dedication to their studies and a desire to prove their ability and to demonstrate that they are not the crippled half of society. Our graduates now are a distinguished picture of Saudi women

everywhere and in all fields where they have found employment, because they have been able to perform their work in a suitable manner without giving up their principles, their faith or their morals."

Dr Bakr Qawtah continued: "In response to the view of some that the university graduate has a lower level of ability than a graduate of the teachers college, on the contrary. I believe that the administrative graduate has complete ability because she can teach, as her colleagues in the teachers college, if she is given simple information about teaching methods. The administration and economics graduate also is completely able to perform any administrative work assigned to her with the highest ability."

With regard to solutions, Dr Bakr Qawtah says: "The Ministry of Finance and the Ministry of Planning must cooperate with us in a positive manner to find solutions so that we can play our role in the desired form, as if we had available to us an adequate budget for that and the necessary administrative positions. It is not enough to provide teachers without administrators. This cooperation must be quick and positive. If given the budget to create positions, the university could meet the needs of its graduates, even if only partially, as a solution to this problem. The university is in the most critical need of these administrators, especially with the increasing number of male and female students. In my opinion, it is not the job of the university to find positions for its graduates, for that is the function of the Civil Service Administration. All that the university can do is to supply the necessary cadres, and the other agencies must supply suitable positions for all who have earned degrees. As to not accepting an administrative graduate for employment in the General Directorate because she has not followed a teaching program, in my personal opinion, the administrative graduate will be an effective and capable employee because she has adequate information about administrative work which is suitable for a school administrator, an administrative supervisor, or another post, whether in the general directorate or in any other government agency. What we need is complete cooperation from the Civil Service Administration and the ministries concerned to look into this problem."

#### Dr Zunayb al-Dibagh and Her View of the Problem

Dr Zunayb al-Dibagh, assistant administrator of the College of Economics and Administration in King 'Abd-al-'Aziz University in Jiddah, says: "In my opinion, there will be no solution to this problem until the necessary new fields of specialized study are available and colleges can be opened to women in our country so that they may choose freely and without pressure to enter the College of Administration and Economics. As a partial solution to the problem, we are facilitating higher studies for those women who wish to pursue them, at home or abroad. In regard to the programs of higher studies for the female student of economics and administration, efforts will be made to create new specialties to make use of the nature of women in our country and to go along with the background of their first university studies. These specialties might include consumer education and marketing of household materials. All of this can be accomplished by reaching women through the



information media, clubs, and government facilities such as social agencies and schools."

As to solutions, Dr Zunayb al-Dibagh says: "With respect to the problem of these graduates now, the General Directorate must make room for them and find posts for them by educating girls at the different levels and not finding any pretext for rejecting them. What is the university diploma if not a key which can be used to open all doors and fields? If a student lacks ability or experience, it is up to the individual student, how willing she is to work, and how deep her desire to serve her country. Society must grant her the opportunity and ease her way so that she may gain experience in society and its organizations. She must be given the opportunity for rapid training for all types of specialized work in all fields with the cooperation of all governmental organizations and private companies, giving special consideration to finding posts to employ women to serve women. There are many women with no breadwinner to support them who need the services of special departments available to them in certain government agencies, such as telephone services, permits and licenses, marriage and family courts, and others which have direct contact with women. Allocating these positions to women would undoubtedly end many of the problems of university graduates, whether in the administrative field or other fields. With a little thinking and planning, we will solve all of our problems while setting the first goal, for the sake of God, to serve Islam, to serve women under the protection of Islam, and to serve our Muslim society, whose pillars rest on the abilities of all those whom God created, whether male or female."

#### Head of Women's Employment Office in Jiddah Gives Her View!

Mrs Sa'ad al-Sa'd, head of the Women's Employment Office for the Western region, concludes our investigation. She says: "The matter of the women graduates of King 'Abd-al-'Aziz University's administration and economics division in general is still under study by the Civil Service Administration in Riyadh, in order to find positions suitable to the specialties of the graduates in the various government agencies. No complete report has been issued as yet. We are in constant contact with the General Secretariat in Riyadh to obtain the final result. For its part, it will continue its efforts to end the matter as quickly as possible, because it knows how important this is to these graduates."

7587

CSO: 4404/97

NEW RULES AFFECTING RENT CONTROLS ISSUED

Jiddah AL-MADINAH in Arabic 26 Oct 82 p 1

[Article] by 'Abdallah al-'Amri: "Royal Directives Concerning Property Rented by State"

[Text] Royal decrees have been issued regarding what must be done about demands by some owners of buildings rented to government agencies that rents be raised or the buildings vacated, after action to give the landlord and tenant freedom to reach agreement on rents on which they come to terms, as of the beginning of the new year of the Hajirah. The new rules read as follows:

First: If the owner of property rented by a government agency asks for a rent increase or asks that the property be vacated in accordance with the Council of Ministers' resolution, if the property was rented before the year 1396 H. and the tenant agency wants to remain in the rented property, the rent can be reconsidered by having the State Property Department survey and appraise the property again. It then would set the rent in light of the appraised value according to the arrangements now followed, in accordance with the bases set down in Council of Ministers resolution No 1164 of 8/11/1392 H., in view of the fact that most of these rents are not at an ideal level at present.

If the property was rented after the year 1396, then its rent in most cases is suitable. Hence, the owner's eviction demands are to be considered as nothing more than a desire to raise rents. If he persists in raising the rent or evicting the tenants, then the tenant agency should vacate the property and find another rental, with the provision that no government agency may rent his property (in accordance with Royal Order No 50053 of 16/9/88 H. and the fourth article of Royal Order No 25351 of 26/12/1388 H.).

Second: The principle specified in Council of Ministers resolution No 1264 must be adhered to with respect to not vacating rented buildings if their owners do not demand that, unless the building is structurally unsound or the space inadequate. In all cases, a committee from the renting agency must confirm that there are architectural or office space reasons which make the move necessary. The committee then must submit a report to the appropriate minister so that he may issue his resolution as he sees fit, to protect the owner of the rented property from arbitrary moves which might be made by some government agencies as a result of the property being released from rent controls.

## GAS UTILIZATION PROJECT DETAILED

Jiddah AL-MADINAH in Arabic 12 Oct 82 p 4

[Article by Khalid 'Abd-al-Wahhab Bafqih: "ARAMCO, Main Gas System in the Kingdom: The System Aids in Implementation of Ambitious Plan for Industrialization of the Country"]

[Text] The main gas system project in the Kingdom of Saudi Arabia is considered one of the largest engineering projects, if not the largest, in the world. This main gas system will be the backbone of the long range industrial development program being implemented by the Saudi Arabian Government. The main gas system will bring about the strengthening and diversification of the kingdom's economic base and will transform it from total dependence on one resource, namely oil, to an economy with a strong structure founded on a broad base of new heavy and light industries. Aside from utilizing this basic resource, the system will provide fuel and feedstock to the local petrochemical plants at low cost for the huge new industrial installations in the eastern and western areas. It will also provide liquefied natural gases (propane, butane, and natural gasoline) for export.

For a long time, a large percentage of oil-associated gas was wasted due to both market-related and technical reasons. Then the 1970's brought the rapid rise of energy costs and growing interest in the protection of natural resources and the environment. This made the huge investments needed to collect and treat gas on a large scale a matter of interest as well as being profitable from an economic and practical standpoint.

### Government Gas Project

By the beginning of 1975, the Saudi Arabian Government and ARAMCO had completed over 40 years of cooperation and partnership in the development and utilization of the kingdom's primary natural resources. This was one of the considerations that led the Saudi Government to assign the planning, construction and startup of the government gas project to ARAMCO. The government's decision to entrust the gas project to ARAMCO was also based on the company's extensive experience in effectively utilizing associated gas (gas that is dissolved in crude oil) beginning in the early 1950's. In the early stages of its development, ARAMCO began to use associated gas that was separated from the oil to

supply its installations with fuel. Small quantities of gas were delivered to a number of local industrial installations. In 1954, ARAMCO established gas injection facilities in the Buqayq and al-Ghawar fields and it began reinjecting gas into the deposits to maintain pressure and store the gas itself. However, since these two fields were the only fields suitable for this kind of injection, the burning of huge quantities of gas continued, especially in the remote areas.

#### Liquefaction of Gas

From the beginning, the kingdom has worked tirelessly in an effort to utilize oil-associated gas in an economic manner. In 1959, ARAMCO began to implement a program to develop markets for liquefied natural gases. It also began preparing plans for construction of a system for gas collection. Despite the fact that the plans aimed at collecting all the oil-associated gas, the larger part of the program was designed primarily to process gases that are separable under low pressure, can be converted into liquids, and are easily transportable rather than other gases. Gas processing facilities were established in the area of Buqayq and liquefied natural gases were transported from there to Ra's Tannurah for final separation, transport to the seaport, and shipment. In late 1961, a plant was completed in Ra's Tannurah to process the gas extracted in the refinery and convert it into liquefied natural gas. In December of the same year, ARAMCO began exporting butane and propane.

#### 360,000 Barrels

The system was expanded in stages so that ARAMCO currently has facilities to process 360,000 barrels of liquefied natural gases per day. This makes Saudi Arabia the largest producer of liquefied natural gases in the world. The installations that have been completed are part of the main gas system and are in complete harmony with ARAMCO's installations. The two systems were merged wherever possible to prevent duplication and reduce costs. Some parts of the gas project extend across Saudi territory to the western area on the Red Sea coast. However, most of the installations are located in the eastern area.

#### Separation of Gas

The gas plant in Shadqum receives gas from 10 oil-gas separation plants located in the areas of Shadqum and 'Ayn Dar in the al-Ghawar field as well as from four gas separation plants and one processing plant in the Buqayq area. The al-'Uthmaniyah plant receives gas from 15 oil-gas separation plants located in the areas of al'Uthmaniyah and Harad in the al-Ghawar field and the al-Harmaliyah field. The al-'Uthmaniyah plant is almost identical to the Shadqum plant and thus only the operation of the Shadqum plant need be explained for the operation of both plants to be understood. The gas plant in Shadqum receives one-half billion cubic feet of gas each day. It first treats this gas in contact towers to remove carbon dioxide and hydrogen sulfide. After the purification process, the gas is pressurized and transported first to drying units and then to a series of coolers where it is cooled to -88°F. Next it is transported to methane stripper units. The substances taken from

the bottom of the methane stripper unit usually contain 40 percent ethane, 34 percent propane, and 26 percent butane and other heavy compounds. These substances are pumped through pipes to Yanbu' and al-Ja'imah.

This process results in recovery of 70 percent of the ethane that exists in the original processed gases, 95 percent of the propane, and 100 percent of the butane and other heavy compounds. The produced methane is pressurized and distributed through the local sales system and is used as a fuel gas by ARAMCO and the United Saudi Electricity Company.

As we mentioned previously, the gas plant in Shadqum receives the concentrated liquids from the oil-gas separation plants through pipelines and then transfers them to the unit for the removal of light substances. Here ethane gas and the light gases are removed from the top of the unit and pumped with the feedstock gas to the processing units. The products that remain at the bottom of the unit are combined with ethane and the liquefied natural gases bound for Yanbu' or al-Ja'imah. The gas plant in Shadqum is equipped with four (close) sulfur plants that operate in three stages. Their feedstock is composed of carbon dioxide and hydrogen sulfide that have been previously separated in the contact towers. The (close) towers recover 97 percent of the pure sulfur per day in Shadqum. The plant was designed basically with four units, each of which contains some of the largest equipment of its kind in the world. The two separating plants in al-Ja'imah and Yanbu' are similar. Each plant includes two lines of equipment capable of operating independently. The main units include one unit to remove ethane, a second unit to remove propane, and a third unit to remove butane. The ethane exits at the top of the ethane removal unit. This gas is used as a feedstock for various industries in Yanbu' and al-Jubayl. The propane exits from the top of the propane removal unit. This gas must be subjected to treatment due to the effects of hydrogen sulfide and other acidic gases. This is followed by the removal of the two compounds from it before it is sent to the drying unit. The butane that exits from the top of the butane removal unit must also be treated to separate the two compounds and the water from it. The gases that collect in the bottom of the butane removal unit consist primarily of natural gasoline, according to specifications, but they are pressurized via a column to reduce the vapor pressure if necessary. A "color remover" is used to correct the quality if a change in the color of the natural gasoline occurs.

#### Storage Facilities

In order to facilitate the exportation of propane, butane, and natural gasoline, facilities for the storage of 6 million barrels of products were constructed along with an ocean port in Yanbu'. The facilities at al-Ja'imah differ from those at Yanbu' only in their storage capacity, which will be 4.2 million barrels. The natural gasoline produced there will be pumped through a pipeline to Ra's Tannurah for export. If the storage tanks at the export ports in al-Ja'imah and Ra's Tannurah are full and cannot accommodate one or more types of products from the separation plant in al-Ja'imah, the surplus products will be injected into nearby underground storage chambers that carry unpotable water. Facilities have been prepared to reextract these products at a subsequent time. To ensure the provision of stable quantities of ethane

feedstock for industrial consumers on both the east and west coasts, facilities for the liquefaction, storage and regasification of the ethane gas have been established. The storage facilities located on the east coast are at the gas plant in al-Barri near the al-Jubayl industrial complex. The facilities located on the west coast are in Yanbu'. Each of these facilities will be able to store 350,000 barrels of liquid ethane in addition to having a capacity to liquefy 15 million cubic feet of gas per day. There is the al-Barri plant which will have the capacity to gasify 150 million cubic feet per day and the Yanbu' plant with a capacity of 100 million cubic feet per day.

#### Natural Gas Line

Liquefied natural gases and ethane are pumped from the gas processing plants in the eastern area to Yanbu' through a 1,170-kilometer pipeline. This is the longest pipeline that has been built in the kingdom since the completion of the trans-Arab-countries pipeline (TAPLINE) more than 30 years ago. The liquefied natural gas and ethane pipeline, which runs parallel to another pipeline which carries 1.85 million barrels of crude oil per day, is the longest pipeline built to date to carry liquefied natural gases. It is also the most advanced, monitored by electronic computers. Construction of the line began in December 1978 and was completed in early 1982.

This pipeline extends from the gas plant in Shadqum to Yanbu' on the Red Sea passing through rugged areas of the Arabian Peninsula. This line consists of pipes with diameters of 26, 28 and 30 inches operating under high pressure. Initially, 27,000 barrels of liquefied natural gases and ethane will be pumped to Yanbu' per day. This quantity can be increased by 50 percent in the future if the need warrants.

The line has some special design features including a system for monitoring and controlling the line which is based at the Central Transport Center in al-Zahran. The center receives data from 38 points along the pipeline and this data is relayed to the central transport system via microwave channels. The central transport system issues operation orders to Shadqum and Yanbu' over the same channels.

In order to better ensure safety in the areas of Shadqum and Yanbu' and at the pumping stations that will be built along the line in the future, pipes with thicker walls were used in these places along with mainline valves that can be operated by remote control. This will permit these valves to be opened and closed from the main transport station in al-Zahran in order to isolate parts of the pipeline in case of emergency.

The production capacity of the main gas system now stands at 2 billion cubic feet of dry, sweet gas, 375 million cubic feet of ethane gas, 600,000 barrels of liquefied natural gases, and 3,700 tons of sulfur per day.

As the installation of the final equipment for the main gas system and the startup of this system began, plans were already underway for the second phase in which the collection and processing of the associated gas extracted by primary means will take place.

## Benefits of the Gas System

The completion of the main gas system in 1982 took 20 million hours of engineering work and approximately 170 million hours of construction work. The system required 2,400 kilometers of pipes of various diameters up to 48 inches. Some 2 million tons of materials and equipment were imported for this project. By virtue of this gas system, the Kingdom of Saudi Arabia will be able to implement an ambitious plan for industrialization of the country based on the availability of fuel and industrial feedstock from oil-associated gas at a relatively low cost. In addition, the system will provide a large quantity of liquefied natural gases for marketing worldwide in an economically profitable manner.

Other important benefits include:

--A contribution toward ensuring stable and tangible growth of the world economy by the development and conservation of consumable natural sources.

--Reduction of Saudi Arabia's economic dependence on the exportation of crude oil.

--The development of hydrocarbon-based industries in new geographical areas of the kingdom.

--Expansion of the fields available to the country in the development of a long-term marketing strategy.

Lastly, the successful completion of the main gas system will provide the world with additional energy that relies on hydrocarbons until alternative sources of energy assume their proper place in the world.

8591

CSO: 4404/56

BRIEFS

NO LOANS TO MEXICO--H.E. Minister of Finance and National Economy Muhammad Aba-al-Khayl commented on an article published in the political and economic supplement last Sunday in reference to reports published in some Mexican newspapers about a Saudi loan to Mexico. He said that this has absolutely no factual basis, and there have not been any talks on this subject. [Text] [Riyadh AL-RIYAD in Arabic 14 Oct 82 p 17] 7587

AID TO SPAIN--H.J. King Fahd ibn 'Abd-al-'Aziz has issued an order transferring 10 million American dollars to the Spanish government as aid to cover expenses incurred as a result of flood damage in some parts of Spain. [Text] [Riyadh AL-YAMAMAH in Arabic No 723, 27 Oct-2 Nov 82 p 13] 7587

CIVIL SERVICE--The Civil Service General Administration is conducting follow-up operations to confirm that complete and accurate information is available on all government workers and to determine how complete civil service records are, as these records are considered a source and starting point for many administrative decisions connected with public service. The Civil Service Administration has impressed upon all government agencies the importance of supplying it with the necessary information about non-Saudi state employees so that this information may be compared with that in other ministries and government departments. A general report is to be accompanied by two statements, one concerning employees in permanent budgeted positions and the other concerning items such as wages, severance pay, terms of employment, safeguards, etc. The Civil Service Administration announced that it hopes to have this information sent before the end of the month. [Text] [Riyadh AL-RIYAD in Arabic 4 Oct 82 p 2] 7587

NO U.S. MANEUVERS--An official in the Ministry of Defense and Aviation denied reports that the U.S. Rapid Deployment forces will hold maneuvers in October in the northwest part of the Arabian Sea, with the participation of units from the Saudi and Omani armed forces. He said that the reports are completely unfounded. [Text] [Riyadh AL-YAMAMAH in Arabic No 718, 14-21 Sep 82 p 14] 7587

CSO: 4404/97



MUSTAFA TALAS INTERVIEWED ON CORRECTIVE MOVEMENT ANNIVERSARY

Damascus TISHRIN in Arabic 16 Nov 82 pp 4-5

[Interview with Mustafa Talas, Syrian deputy commander in chief and minister of defense, by Hani al-Sham'ah: "Today We Are Stronger Than Ever Before in Will, Armament and Ideology", date and place not specified]

[Text] Lt Gen Mustafa Talas, deputy commander in chief of the Army and the Armed Forces, and minister of defense, spoke on the occasion of the 12th anniversary of the corrective movement, which was led by President Hafiz al-Asad. He said: "Our human and material capabilities and resources will enable us to obtain the strategic balance that we must have, along with continuing our cultural struggle with the Zionist enemy. "The steadfastness of our people that we are now seeing, their determination to resist the aggression and their resolve to gain their rights, confirm to us that the plots that are being hatched against our Arab Nation will all fail."

Gen Talas gave the following answers to questions put to him by the newspaper TISHRIN:

[Question] On the occasion of the 12th anniversary of the corrective movement, would you discuss the developments that our country has seen on various levels?

Each Step in Building Is a Step for Liberation

[Answer] The 12 years that have past since the corrective movement have been filled with accomplishments and have overflowed with achievements, whether on the domestic building level or on the Arab and international levels.

When we talk about domestic building we attach considerable importance to this in achieving the goals for which the corrective movement has striven on the pan-Arab level and in the field of opposing the plots that are aimed at stopping our progress toward liberating our illegally seized land and eliminating the supporters of imperialism in our great Arab nation. All this in harmony with President Hafiz al-Asad's statement: "Each step we take in building is a step toward liberation." In fact, the process of building our country has proceeded

side by side and parallel with the great efforts that the wise and courageous leadership of President Hafiz al-Asad has made in unifying the Arab ranks, achieving Arab solidarity and mobilizing Arab capabilities, which could play a part in directing all Arab forces to meet the provocations that are aimed at every country in our great Arab nation. No matter what the obstacles and difficulties are, our Syrian Arab country will remain in its unshakeable position, continuously calling for the need to mobilize Arab resources in the service of Arab issues and the battle for liberation, in a word, Arab solidarity against their Zionist and American imperialist enemies. This position for which we have made giant efforts shall not interfere with our escalating efforts to build up our own strength on various levels. Accordingly, our heroic armed forces, which efficiently and courageously resisted the enemies of our Arab nation, are also sharing effectively in the process of building, developing and bolstering the national economy, through construction and production organizations, which were established and have grown and prospered under the aegis of the corrective movement. During the past years, they have been able to achieve important accomplishments that shared in anchoring the pillars of prosperity and progress in our country and in solving many of the problems that our people face. For example, there is the Military Housing Agency, which has participated in solving the housing problem for military personnel. It has carried out many projects that, in fact, are considered to be major steps toward solving the housing crisis in our country. In addition to that, this agency also took upon itself to carry out several economic and productive projects, which helped to expedite the development plans in every field.

There is also the Military Construction Agency which, since the beginning of the corrective movement, has participated in the building process. This is in addition to what it has and will achieve on the military level, which has enabled a large number of services and utilities projects to be implemented, which are connected with the economy, education, industry and agriculture. Another one of these organizations is the Military Transportation Agency, which was established in the latter part of the 70's to be an effective factor in putting an end to the transportation problem, especially between the provinces. There is the Production Bureau, which has taken on the process of supplying the armed forces with their basic food requirements. This bureau has developed rapidly in the past few years, whether with respect to establishing farms or establishing poultry farms in accordance with the most modern methods.

Apart from all of that, there is the Defense Production Agency, which has achieved an important growth under the aegis of the corrective movement, both on the military level and in terms of supporting the national industry through more expansion and force.

These agencies and other construction and production organizations, whose activities total scores of billions of Syrian pounds, have achieved their accomplishments under the aegis of the corrective movement, led by President Hafiz al-Asad. Perhaps the most prominent characteristic of these accomplishments is that they were done in accordance with the most modern technical and highest quality methods, which have made these organizations more capable and more effective in expanding their participation in the battle of building, which is progressing in parallel with the battle that we are waging against the forces of invasion and aggression aimed at our people, our land and our culture.

[Question] The October War of Liberation was the biggest achievement under the aegis of the corrective movement. Would you evaluate for us the prime factors that led to achieving this major accomplishment?

#### The October War, A Supreme Achievement

[Answer] In fact, our glorious party, the Arab Socialist Ba'th Party, with the courageous and wise leadership of President Hafiz al-Asad, was able to adopt the historic, decisive decision, embodying opposition to the base of invasion and aggression, established by imperialism in the heart of our great Arab nation. The brilliant October War of Liberation dispersed the clouds of the June [1967] debacle and opened the way to liberation and victory for our Arab people, after liberating them from the erroneous beliefs that the enemy had tried to foist upon them, to the effect that they were surrounded by his unconquerable force. This war spotlighted the Arab soldier's bravery and courage, because of the faith he carried and his determination to smash all the obstacles that blocked his way toward liberating his land and restoring his usurped rights. Naturally, we speak about the October War of Liberation. This splendid achievement of the corrective movement resulted in convulsing the Zionist entity. Let us consider a little of what preceded and followed the October war. The accomplishments that preceded the October war were led by the construction of the domestic front on firm foundations and obtaining the requirements of battle, especially support for our armed forces, and superior care for the fighting man, supplying him with the most modern arms, developing his intellect and his culture, developing his methods of employing the arms and equipment, so that within a short while, our army would be able to reach the level to attack and defeat the enemy. All of that created a firm groundwork for our 6 October point of departure, so that we could restore honor and glory to the Arabs, and so that we could confirm, with categorical evidence, the ability of our people to gain victory and defeat the enemy, no matter what methods of power and means of destruction are supplied to him by imperialism.

The years that followed the October war were a savage test of our will. The forces of imperialism and Zionism fell upon us in order to dissipate the achievements of the October war and return our Arab people to the pits of despair and capitulationism. These forces were able to open a gap, through stirring up the assassinated agent, Anwar Sadat, who signed the treasonous document at Camp David. However, the will of our people was stronger. We confronted the savage imperialist attack with more resoluteness and determination. We pursued the course of building and liberation with high methods, and in two parallel directions, without our being affected by any pressure or threat. The first direction was to bolster our own strength, whether on the economic and social construction level, or on the military level. During the first decade of the corrective movement, many construction, industrial, agricultural and educational projects were implemented, amounting to many times what our country had achieved since the dawn of its independence.

As for the military level, the growth of our armed forces has surpassed all expectations, whether from the aspect of modernizing the weaponry or from the aspect of developing the fighting man, and especially the growth of fighting spirit, which the October war embodied in the most glorious and splendid way. When the leader al-Asad announced that we had 3,000 of the most modern tanks, i.e., three times what we had in the October war, there were calculations regarding the rest of our weaponry. The importance of that was that it had dimensions and results with regard to our enemy. This surfaced clearly and obviously in the Lebanese war, where our troops fought with high efficiency and methods that proved their complete mastery over the modern arms. They broke up the enemy's plans and his intention to achieve a strategic victory. The important point is that our fighting in Lebanon, as the leader al-Asad has said, proved that victory was possible over the enemy. We were certainly victorious, first because we were right, and second because we are resolved to regain our rights.

[Question] What are the principles followed in developing our armed forces, and especially in the field of achieving "the strategic balance" with the Zionist enemy?

#### The Strategic Balance, Our Only Option

[Answer] The October War of Liberation proved that the decisive element in any battle is the human element. Victory, in the first place, depends on preparing the fighting man mentally, materially and morally. If modern arms have their role and importance, man is still the basic factor. From the October war up to now, we have achieved many profound and comprehensive steps in support of our forces, and to build up our fighting man, who was more steadfast in the Lebanese war. On this basis, the interest of President Hafiz al-Asad's wise and courageous leadership is in building up our armed forces and constantly supporting them in every way, in order to pursue the demands of the age and the methods of scientific advancement, while in the first place, takign into consideration the fighting man, in terms of his consciousness, providinghim with advanced education and emphasizing the principles of our glorious party, the Arab Socialist Ba'th Party. In addition to that, development of training methods, preparation and guidance were stressed. Moreover, the results of all this care can clearly be seen in the training projects and maneuvers which are conducted constantly on various levels. This also has appeared more clearly in the battles waged by our heroic fighting men against the forces of invasion and aggression, which prompted many military commentators to say that the Arab soldier has changed the balances and standards and has added a new strategic lesson.

With respect to the "strategic balance" with the enemy, the corrective movement, since its inception, has put unified Arab effort in top priority. It has made Arab unity a basic goal to strive for with all its capabilities and resources, so that it can play its role in meeting the challenges that oppose our Nation's progress toward achieving its goals of liberation and victory. Its moves and directions were all made from this point of departure. However, Sadat's treason, and his adherence to the treachery that is embodied in the Camp David accords, and the surrenders, activities and plots that have followed them created some obstacles in the path of unifying Arab capabilities and mutual Arab effort. It is most certainly clear that readiness, preparation

and mobilization of energies and capabilities is the only way to jam the strategem of the enemies and the plotters down their throats. Therefore, Syria has relied first on its own strength and development, along with a complete awareness, at the same time, that will not be enough in the face of the nature of the savage imperialist attack and in the face of the policy of treason and capitulation. Therefore, rapid efforts must be made to achieve a "strategic balance" with the Zionist enemy. We have passed through many stages in this regard. That was proved during the Lebanese war where our armed forces, including our heroic eagles, waged vast and ferocious battles, never before seen in wars, in terms of intensity in numbers of aircraft and combat methods.

The question of the "strategic balance" with the Zionist enemy is, as the leader al-Asad has said, our only option, as to whether we want war or peace. All our human and material capabilities and resources will enable us to obtain this balance, which must be done in continuation of our struggle with the Zionist enemy, which is a cultural struggle and a struggle between right and wrong. Right will be victorious in the end, and our iron will is what will reply to the barbaric and savage attack aimed at Arab existence in its entirety.

[Question] In your view, what are the most prominent causes leading to the weakness in the Arab ranks, after the October war, and most especially in the past few years? We are Optimists.

[Answer] The October War of Liberation was a fighting test of our glorious Nation after the June debacle, which American imperialism and Zionism considered a crushing blow that should kill the spirit of revolution in our people, crush all elements of steadfastness and resistance in their ranks and destroy all the bridges that connected us to our glorious past, overflowing with heroics and filled with glorious deeds and sacrifices. However, our people in the October war were able to arouse all their latent depths of fighting spirit and steadfastness, made up for that June debacle and became stronger and more sacrificing. At the same time, the October war shook the ground under the enemies' feet. It was an indication of a new stage in the life of our Arab nation, which could lead to other fighting stages and, in effect, enable us to strike at all the important bases in our Arab country. Accordingly, the suspicious initiatives and despicable plots came, which are aimed at stopping Arab progress and siphoning off the achievements of the October war. The start was arousing the assassinated agent, Anwar Sadat, who betrayed his Nation's cause and showed contempt for the blood of the righteous martyrs, by shaking hands with Zionists and imperialists. The Camp David accords, for which Jihan Sadat collected a price of 30 million pounds sterling from the Jewish National Fund, [A] was the start of a series of plots and criminal attempts, aimed at splitting the Arab ranks and continuing on the road to humiliation and capitulation, and making way for the enemy to carry out his intentions and achieve his aggressive and expansionist goals. The steadfast position adopted by Syria, under the leadership of President Hafiz al-Asad, who rallied the masses of our Arab people, had a far-reaching effect on putting the traitorous Camp David agreement on the road to failure and collapse. This provoked the wrath of the imperialists and Zionists making up the gang of criminal brothers. However, our people were

able to eliminate this gang, so they resorted to the Lebanese card. However, our country's initiative and our heroic armed forces' stand against the aggressors and fomentors of civil strife made the imperialists and Zionists hatch more plots and spew out more hatred and malice toward the forces of steadfastness and liberation. However, our iron will smashed all the attempts. They resorted to another way, or rather, let us say, to arousing the old-new agent, Saddam Husayn, who launched the Iraqi-Iranian war, achieving one of the major hopes of imperialism and Zionism. This hope was embodied in removing the Iraqi army from the confrontation battle with the enemy, and at the same time, splitting the Eastern Front, after having been able to paralyze the Western Front through the Camp David treason, and as a consequence, distracting the Iranian revolution, in all its dimensions, from the combat arena with our Arab people, on behalf of their fundamental issue, the Palestine question, especially after this revolution declared that it stood resolutely and with all its resources beside our steadiness in restoring Arab land and liberating our occupied Arab territory.

Last but not least, when the trickery failed them, they resorted to shameless, naked force. The Zionist invasion of Lebanon, clearly and without a shred of doubt made obvious the American imperialist connection, and its participation in the planning, implementation and support for this aggression. The former American secretary of state, General Haig, lost his job when he spoke the bitter truth, that American had given the green light to Israel to invade Lebanon, and that the invasion plans had been ratified in the Pentagon. However, the entire world witnessed the resistance to the invasion forces and their failure to operation "Peace for Galilee," for which the Likud leadership in Tel Aviv had allotted a few days. Our splendid steadfastness, the heroics of our fighting men and the resistance of our people, which ensured that strong blows would be dealt to the invaders, has led to the Zionist society being convulsed and the stumbling of the Nazi forces, which were unable to achieve their goals. Moreover, it made them commit more crimes and brutal massacres...in the Sabra and shatila camps. This heinous massacre made the Nazis' crimes seem small. However, that did them no good. We now see an awakening of our Arab people in the occupied territory. We see an increase of resistance against the invasion, which blew up the military headquarters in Tyre. This killed 75 officers and men of the Nazi forces and wounded 26 others. This was planned and executed by Lebanese nationalist fighters, and is considered a live manifestation. The news agencies today are repeating the statement that Lebanese Arab territory, which was the scene of "Peace for Galilee", has become a graveyard for the Zionist invaders.

In any event, the steadfastness of our people that we are witnessing, their determination to resist the invasion, and their resolve to gain their rights and regain their land, has made us more optimistic about the future. It confirms for us that the traitorous accords and all the plots that are being hatched against our Nation will meet with rapid failure. All the agents will fall, and the will of our Arab people will be victorious. The will of peoples is always victorious; this is the lesson of history.

[Question] How do you look at the solutions and proposals that the United States is raising at the present time? How do you evaluate them?

## The Palestinian Question is the Fulcrum of Our Struggle

[Answer] The question of Palestine is the fulcrum of our struggle in every direction we take. One cannot talk about any solution or any proposal, except in terms of our unshakeable position regarding this issue. On this basis, we are building up our own strength in the various fields, so that we can be on a level that qualifies us to achieve our goals in meeting the provocations and opposing our enemies. Events have proved that American imperialism continuously offers proof after proof of its enmity to our Arab nation and our pan-Arab causes. In the Lebanese war itself, we saw all the dimensions of the "strategic agreement" which was made last year between the United States and Israel, and how America opened its arms depots to the Zionist enemy, so that it could kill our people and destroy the signs of civilization in Lebanon, aiming at continuing its plans that the treason of the Egyptian regime and Saddam's conspiratorial war were incapable of doing. Any solutions that the United States raises, and any proposals that it wants to put before us, will still continue to support the racist, Zionist entity. It declared yesterday morning its support for the Zionist enemy, and that it is giving it everything it wants in the way of military and material assistance, so that the conspiratorial plans will continue, aimed at eliminating our just cause.

Syria, which leads the movement of the contemporary Arab struggle, will not rally to any proposal that is not in harmony with its fundamental goals, which are embodied in fully regaining our usurped rights, without exception. There is no room for haggling here, especially as regards Lebanon. As the leader al-Asad said: "As we supported Lebanon previously, so we now, and in the future, will support Lebanon. If we strongly supported Lebanon before the Israeli invasion of some of its territory, so we now even more strongly support Lebanon, in order to liberate the Lebanese territory that the enemy has occupied, no matter what our burdens and sacrifices may be. We consider this matter a duty; our carrying out of this duty does not depend on anyone asking us."

[Question] Some of the foreign press and news agencies are talking about the imposing strength of the Syrian army and its increased combat capabilities. What is your view of this?

## We Are the Shock Force

[Answer] Perhaps what these newspapers and new agencies are saying may not be with the best of intentions, but all that does not concern us, because the question of greatly improving our strength is the basic question on which we have concentrated our efforts. We are facing imperialist and Zionist plots and conspiracies, aimed at the existence of our entire Arab nation. Therefore, it was necessary to make ourselves the advance shock force to defend our people against the forces of invasion and aggression. From this departure point, we are building up our armed forces, so that we will be at the highest level of readiness, and at the peak of strength, to enable us to bear our historic responsibilities to defend Arab soil anywhere in this great Arab nation.

[Question] Where does our heroic armed forces stand in the current circumstances that our Arab Nation faces?

[Answer] Our intrepid armed forces, with all its weaponry, stands like a towering mountain, confronting all the challenges to which our Arab Nation is being subjected. We will not be intimidated by threats, nor will plots influence our course. We are strengthened by the heroism of our army, strengthened by our proud people, who strongly rally to the wise and courageous leadership of President Hafiz al-Asad. We are also strengthened by our friends in the world who stand by our side, especially the Soviet Union, which gives us support and assistance and constantly expresses its support for our just causes. We can confirm that today we are stronger than ever before in will, arms and ideology.

Our celebration of the coming of the 13th year of the corrective movement carries within it the certainty of our continuing the efforts and sacrifices, determined to confront the enemies of our Arab nation, who are now moving in new directions, with various means, in an attempt by them to strike at the Arab liberation movement and to continue the capitulationist plots that our Arab people have rejected. Our people are determined to defeat them, no matter what the cost or how dear the sacrifices. Indeed, they have been able to turn these plots into straw and rubble. Their glorious stand on 6 October of last year, at the downfall of the traitorous head of the Egyptian regime, was manifest evidence of the rejection of all eliminating and capitulationist solutions. It was confirmation that the obvious path for our Arab people is the path of liberation and restoration of our usurped rights. As the leader al-Asad said: "Those whose goal is clear, whose path to the goal is defined, and who have the will to fight for that goal, must be victorious."

[Question] Do you have a word for our heroic fighting men on this 12th anniversary of the corrective movement?

[Answer] Continuous training, high combat readiness and remaining in a state of alert is the way to thwart the plots, achieve victory and liberate our seized Arab territory. The circumstances in which our Arab people live require our heroic fighting men to double their efforts to achieve the highest level of training and weapon mastery, guided by the words of the leader al-Asad: "You in the armed forces must continually train and raise its levels. That is the ideal way to gain mastery of the equipment in your hands, and to be prepared for the decisive times."

[A] Sadat demanded this amount on the basis of over a million pounds each year. This information was confirmed by the WASHINGTON POST, which said that he received \$70 million, the equivalent of the abovementioned amount.

7005

CSO: 4404/118



## NBAD MAINTAINS LEAD POSITION

Kuwait ARAB OIL in English No 11, Nov 82 pp 16-17

[Text]

**A** GAINST the trend of slowing economic growth in the world, the National Bank of Abu Dhabi has maintained its leading position in the commercial banking sector in 1981, as attested by its comparative performance.

During the course of the year, the bank's total assets increased by 29 percent and customers' deposits increased approximately by 14 percent — reaching 3.8 billion dollars — whilst lending and investments registered increases of 32 percent and 49 percent respectively. Net profit and profit available for appropriation increased by 25 percent over the level attained in 1980, the annual report published in Abu Dhabi recently states.

The most prominent accomplishment during the year was the tenfold increase in the capital. Authorized capital was raised from 27.7 million dollars to 36 million dollars, and issued and fully paid up capital went up from 27.7 million dollars to 166.6 million dollars. This achievement has placed the bank as one of the largest in the Gulf and definitely the premier bank in the UAE in the terms of capital and reserves.

NBAD has also moved up in the latest listing of the top 500 banks in the world officially published this past June. Along with other strong Arab banks, NBAD shot up in its rankings, going up from 265th position to 225th while the biggest Arab bank remained Rafidain Bank of Iraq, listed as 101st, according to the authoritative 'league table' compiled by the London based Banker magazine.

#### Progress

This rapid progress, says the report, has

been accomplished despite difficulties prevailing in the world economy and oil glut situation deeply affecting Arab Gulf states in particular.

Toward the end of 1981, the Gulf countries specially oil based economies were dramatically affected by the oil glut and weak falling prices. This resulted in lower crude production in turn causing outbacks and slowing growth rates in most of those economies.

With oil revenues forming 60-80 per cent of the Gulf economies' GNP, the foregoing phenomena will reverse the boom in oil revenues that resulted from the 1979-80 oil price increases. Nevertheless, the region will still continue to enjoy large monetary reserves, and, in many cases, capital surpluses.

Listing other trends of 1981, the report hailed the establishment of the Gulf Cooperation Council in February 1981. The Council, grouping Kuwait, Saudi Arabia, Bahrain, Qatar, and Oman besides the UAE, will 'aim to mould the Gulf countries within an organization similar to the EEC.'

Along with other Gulf states, the UAE, whose crude oil production as a rule accounts for about 65 percent of the country's Gross Domestic Product, has been scaling down its projected estimates of public spending.

In the early part of 1981, the effect of a new burst in Federal Government spending were still being experienced, largely in the Abu Dhabi Emirate, including 722 million dollars, in compensation payments to citizens (for appropriations of land).

#### Production

The UAE crude oil production declined by about 12 percent in the year, averaging 1.5 million bpd, down from 1.7 million in 1980. The Emirate of Abu Dhabi accounted for 79

percent as against 75 percent of the total 5.4 billion barrels in 1981.

The Federal Budget meanwhile continues to be of paramount importance as the chief catalyst determining the country's overall level of economic activity.

As in Kuwait, the Government of the Emirates has scaled down its 1982 budget substantially to 6.1 billion dollars against 7.1 billion dollars, a decrease of 17.4 percent. The government will, however, continue to provide subsidies for electricity, fuel and basic foods, in addition to the allocation of funds for low-cost housing.

The rationale underlying the lower budget in 1982 is basically one of being selective in federal projects, giving priority to productive sectors and curtailing expenditure on non-productive activities.

Against this background, the bank made extensive progress in 1981. The ten fold increase in the authorized share capital was achieved by the issue of one million fully paid up shares to all existing shareholders on a one for one basis through the capitalisation and appropriation of 27.2 million dollars from general reserve.

Thereafter, three million shares of 27.7 dollar each were offered for subscription by existing shareholders on a fully paid up basis at a price of 83.3 dollars which represented a premium of 55.4 dollars. Finally one million shares of 27.7 dollars each were offered for public subscription at a price of 125 dollars which represented a premium of 97.2 dollars and preserved equilibrium between existing and new shareholders.

As a result of these operations, a share premium of 259 million dollars was created and applied to reserves.

Following this enhancement of the capital base, the report goes on, the bank's shareholders now comprise over 4,000 UAE citizens. The principal shareholder, Abu Dhabi Investment Authority, held 56.2 percent of the total issued share capital and, by virtue of an Amiri decree, will at all times hold not less than 51 percent of the total issued share capital of the bank.

#### Loans

The bank continued to extend loans and advance payments to nationally owned companies or joint ventures established in the UAE. The bank's overall advances-deposits ratio improved from the end of 1980 level of 31 percent to 37 percent by the year end.

Investment grew by 49 percent to a year

end level of 597 million US dollars.

Turning to key profitability measures, operating profits before overseas taxation reached 26.5 million dollars, (see chart), which represented an increase of 18 percent over the corresponding result in 1980. Reserves and retained earnings added 19.7 million dollar to the equity capital base during the year. This represented an internal equity generation rate of 27 percent expressed on a constant basis.

The bank maintained its leading position in terms of total assets amongst the 49 commercial banks operating in the UAE and also in terms of total domestic assets which registered an increase of 59 percent during 1981, in comparison to the overall level of growth of 23 percent achieved by the remainder of the commercial banks throughout that year.

As a result, the bank increased its domestic market share from a level of 19 percent in 1980 to 23.4 percent by the end of 1981.

The bank's range of services was likewise reviewed and upgraded. In 1981 the bank introduced night safe depository services for the first time in Abu Dhabi and concluded arrangements whereby clients of the bank can be provided with American Express cards.

Further seven domestic branches were opened in 1981. At the end of the year the bank had 34 domestic units and 24 overseas branches and considerable progress has been made toward the establishment of an offshore branch and Asian Currency Unit in Singapore, which was due to commence its operations in 1982, as well as a representative office in Tokyo.

In addition, early in 1981 the bank extended its representation to the United States with the opening of its fully owned subsidiary, Abu Dhabi International Bank (INC) (ADIB) in Washington. At the end of 1981, ADIB had a loan portfolio of 61.2 million dollars and a total balance sheet footings of 3.5 billion.

Reflecting high levels of primary market activity in the Eurosecurities markets the bank enjoyed a record year for its new issue management services. These increased from a volume of 195 million dollars in 1980 to an aggregate of almost 1.8 billion in 1981 extending across a wide range of investment and money market instruments including fixed and floating rate notes and bonds, convertible bonds, European depository receipt and floating rate certificates of deposit variously denominated in Eurodollars,

<u>National Bank of Abu Dhabi</u>	<b>Profit and Loss Accounts for the years ended December 31 in Dollars</b>	
	1981	1980
Profit before tax	27,046,238	22,883,936
Less overseas tax	3,226,022	3,890,337
Net profit for the year	23,820,216	18,993,599
Add retained profit at beginning of year	126,204	21,494
	23,946,420	19,015,093
<b>Substract: Appropriations</b>		
Transfers to legal reserve	2,500,000	
Transfers to general reserve	17,200,000	11,900,000
Proposed dividend	4,100,000	6,900,000
Retained profit carried forward	57,531,	126,204

Eurosterling and Euroyen. The bank managed 40 issues in total, of which 10 issues were arranged and lead managed by the bank.

Noteworthy among these were the lead-management of 75 million floating rate dollar notes due 1988 on behalf of Credit Foncier de France guaranteed by the Republic of France.

CSO: 4400/118

## BANKS TO SET UP REPRESENTATIVE BODY

Kuwait ARAB OIL in English No 11, Nov 82 p 20

[Text]

Locally incorporated banks have decided to form a new organisation to represent their interests with the federal government, the Dubai based English Daily, Khaleej Times reported last month.

The paper said that the organization would also deal the UAE central Bank and other financial institutions inside and outside the UAE.

Meeting in Dubai, a number of bankers representing leading national banks approved the constitution of the new organization and elected office-bearers who have been charged with the task of putting the new body on a firm footing.

The office-bearers met in Abu Dhabi later and chose a location for its headquarters. The location was not disclosed to the press.

The Khaleej Times quoted Mohammed Al Mur, Secretary General of the Association of National Banks in the UAE, as saying that the meeting was the culmination of two earlier meetings in which representatives of national banks discussed the need for an association that will handle the difficulties faced by local banks.

Eleven of the 21 locally incorporated banks attended the meeting which elected Abdullah Ahmed Al Ghurair, Director and General Manager of Bank of Oman, as Chairman of the new association.

### Election

The meeting also elected an executive

committee made up of Fadl Saeed Al Darmaki (Khaleej Commercial Bank), Oman Bin Abdullah Al Qasimi (National Bank of Ras Al Khaimah) Abdul Rehman Al Bukhatir (National Bank of Sharjah), Sultan Bin Saqr Al Qasimi (United Arab Bank), Khalifa Al Nabooda (Commercial Bank of Dubai) and Mohammed Al Mur (Middle East Bank).

A representative of the National Bank of Abu Dhabi will be Vice-President of the new body.

The Secretary General asserted that National Banks would continue to be members of the UAE banks association, which groups all commercial banks operating the country.

Allaying fears that the new organization would emerge as a rival to the existing one, Mur pointed out that while the banks association was created to deal with the affairs of banking industry as a whole, the association of national banks would specifically handle the problems faced by locally incorporated banks.

Among the other objectives of the new association are: exchange of banks and financial and monetary information in regional and international fields.

Although membership of the association is open to any bank incorporated in the UAE, authorised representatives attending meetings of the organization will have to be nationals who are members of the bank's board of directors.

CENTRAL BANK PREDICTS IMPORT CHANGE

Kuwait ARAB OIL in English No 11, Nov 82 p 20

[Text]

The Central Bank has forecast a change in the structure of UAE's imports in the next few years, according to Khaleej Times.

In a report on foreign trade, it said the shift will favour capital and intermediary goods," though this does not imply an absolute decrease in imports."

Describing the increasing earnings from exports of gas and other commodities as a "healthy" trend, the report said it will have a favourable impact on the structure of exports.

It pointed out that petrochemical industrial projects in the UAE had entered the production phase and their surpluses are directed towards export. "It is expected that this will lead to a decrease in imports of petroleum products."

Meanwhile, some indigenous consumer items have done well in the Dubai market and entered a stage of competing with imported goods.

The report predicted a considerable decline in the UAE's balance of payments surplus this year and underlined the need to rationalise government expenditure without affecting the level of public services.

"The current account balance shows a decline owing to oil market conditions on the one hand and, on the other, as a result of the

government's intention to maintain program of economic and social development."

The Central Bank indicated that there was unlikely to be any change in the present pattern of transfer of funds abroad by employees and repatriation of profits by foreign oil companies.

**Decline**

"On the other hand, a decline is expected in debt service, external grants and aid, which will have an impact on the balance of income and services."

On re-exports, the report noted that "noticeable changes" have taken place regarding the destination of exports and re-export from UAE.

The share of Iran and some neighbouring Gulf states declined sharply, but they maintained a prominent place on the trade chart all the same. But the shift appears to favour India, Bangladesh, Japan and China, the central monetary authority pointed out.

Regarding non-oil exports, it was noted that there has been progress in exploring neighbouring markets in the Gulf.

Local industry had gained "considerable foothold" in the domestic economy and encouragement given to this sector, coupled with the UAE's infrastructure facilities, will contribute to a diversification of the country's economic structure, the report concluded.

CSO: 4400/118

ECONOMIC RESULTS FOR 1980 SUMMARIZED

Kuwait ARAB OIL in English No 11, Nov 82 p 21

[Text]

The per capita income in the UAE stood at approximately 26,390 dollars in 1980, according to statistical reports on the UAE prepared by the Ministry of Finance and Industry.

The per capita wage earning in 1980 reached was 7,300 dollars excluding health, education and utilities expenses which are offered free.

The gross domestic product (GDP) in 1980 reached 30,963 billion dollars with a growth rate of 16 per cent.

The gross national income was 27.3 billion dollars, net national savings 16.9 billion dollars and final consumption figure stood at 8.6 billion dollars, including 3.3 billion dollars public sector and 5.2 billion dollars private sector consumption.

The exports totalled 23.3 billion and commodity imports 9.4 billion while trade balance realised a surplus of 13.8 billion dollars in December 30, 1980.

The following is the break-up of 30,963 GDP: Abu Dhabi 22.5 billion dollars, Dubai 6.4 billion dollars, Sharjah one billion dollars, Ajman 207.2 million dollars, Umm Al Quwain 78.3 million dollars, Ras Al Khaimah 547.5 million and Fujairah 162.5 million dollars.

CSO: 4400/118

STOCK MARKET STUDY COMMISSIONED

Kuwait ARAB OIL in English No 11, Nov 82 p 18

[Text]

A major step in the direction of setting up a stock exchange for the UAE was taken recently with the commissioning of a study on the importance and feasibility of the exchange, according to Khaleej Times.

The board of the UAE Federation of Chambers of Commerce and Industry (FCCI) which took the decision at a meeting in Dubai, also asked its constituent chambers to review the standing of joint stock companies in each emirate in this context.

Rashid Abdul Samad Al-Kaitoob, secretary general of the federation, briefing newsmen after the meeting said individual chambers have been asked to submit their opinions on the exchange in view of the importance of the subject.

These views would be collected by the general secretariat of the federation and presented to the FCCI board for further discussion.

Later, they disposed of 23 items in the agenda, including many administrative matters relating to the federation.

Among the important decisions was the one to locate a project for the industrial use of dates in Ras Al-Khaimah.

The project was conceived by the national committee for palm trees and dates, an affiliate of the Arab Union of Food Industries in Baghdad.

CSO: 4400/118

AGREEMENT WITH MALAYSIA SIGNED

Kuwait ARAB OIL in English No 11, Nov 82 p 18

[Text]

A provisional agreement had been reached between the United Arab Emirates and Malaysia for the establishment of a joint venture investment company to operate in the agricultural sector, it was reported in Kuala Lumpur last month.

The agreement followed a meeting between representatives of Abu Dhabi Chamber of Commerce, who are currently on a visit to Kuala Lumpur, with the Malaysian Deputy Minister of Commerce and Industry.

The Malaysian Deputy Minister emphasised the importance of developing joint cooperation in different economic and trade fields between his country and UAE.

The UAE's delegation met also with representatives of Malaysian commercial companies and discussed the possibility of establishing joint venture commercial industrial and investment corporations between the two states.

The UAE delegation arrived in Kuala Lumpur on a five-day visit to Malaysia.

CSO: 4400/118



TRADE AGREEMENT WITH CYPRUS

Paris AN-NAHAR ARAB REPORT & MEMO in English No 39, 15 Nov 82 p 6

[Text]

The UAE Federation of Chambers of Commerce and Industry and the Cyprus Chamber of Commerce signed an agreement to promote trade cooperation in Abu Dhabi last week. The agreement is intended to expand trade between the two countries, notably by keeping each other informed about their legislation concerning trade and about prevailing customs and trade practices. The UAE's trade with Cyprus runs heavily in favour of the Cypriots: the Emirates purchased goods worth \$20.9 million from Cyprus in 1981 while Cypriot imports from the UAE amounted to \$3.98 million during the same period.

The agreement stipulated that each of the chambers of commerce will supply the other with pertinent publications and will assist the other to organise exhibitions, trade fairs, conferences and other activities within the competence of the chambers. Both sides also agreed to encourage an exchange of trade delegations, to promote visits by businessmen of the two countries and to do their best to eliminate obstacles in the way of a smooth two-way flow of trade. The agreement was signed by Sheikh Abdul Aziz al-Qassimi, President of the UAE Federation of Chambers of Commerce and Industry, and by Michael Michaelides, President of the Nicosia Chamber of Commerce. Mr Michaelides was in Abu Dhabi as a member of a Cypriot delegation accompanying Cypriot Trade and Industry Minister George Andreou.

Mr Andreou conferred with UAE Minister of Finance and Industry Sheikh Hamdan bin Rashid and other officials and they discussed a draft economic cooperation agreement. Sheikh Hamdan said after their talks that he has agreed to attend the International Trade Exhibition to be held in Nicosia next May and that he will sign the agreement at that time.

CSO: 4400/118

NEW LAW ON LABOR RELATIONS PUBLISHED

Kuwait ARAB OIL in English No 11, Nov 82 p 21

[Text]

The UAE Ministry of Labor and Social Affairs has published English and Arabic versions of the Federal Law No 8 of 1980 dealing with labor relations in the country, reports the Khaleej Times.

The law was signed by the President, His Highness Sheikh Zayed bin Sultan Al Nahyan on April 24, 1980, after it had been approved by the Cabinet, Federal National Council and the Supreme Council. It was the first set of regulations governing the labour-employer relations in the country.

Speaking in an interview with Khaleej Times, Salim Ali Salim, Director of International Relations Department of the Ministry of Labor and Social Affairs said the law was first published in Arabic only. But an official translation in English language was also needed as many people and organisations were banking on an unofficial English version of the law. The current publication now contains both the English and Arabic versions.

Before this law came into effect, Salim said, each Emirate was observing its own labor regulations. The 1980 law was the first government effort to integrate all labor regulations and provide a unified set of labor laws for the entire country.

The need for such a law has been felt during the last decade more than ever in view of

the rapid development taking place in the country, and the continued influx of foreign workers.

The law was formulated by a team of experts from the International Labor Organisation and the Arab Labor Organisation. They studied all the labor laws adopted at international labor conventions before tailoring a comprehensive law suited to the requirements of the country.

The new law provides guidelines to both the employers and the employees for a balanced and beneficial relationship between them. The law guarantees legal rights to the employees and provides them a fair opportunity to lodge a complaint with regard to any problem in respect of wages, treatment, accommodation, transport and other conditions of employment.

The various departments of the Ministry of Labour and Social Affairs, such as labour inspection, labour relations, employment and other sections, were always ready to look into complaints, and find a solution of the problems, he said.

If the relevant department in the ministry finds it difficult to resolve a dispute, the matter is forwarded to the court for a final settlement.

Most of the labor disputes up to now, however, had been solved at the level of the department, Salim added.

CSO: 4400/118

## NEW VISA RULES IN EFFECT

Paris AN-NAHAR ARAB REPORT &amp; MEMO in English No 40, 22 Nov 82 p 7

[Text]

New rules governing the issuance of visas for foreigners visiting the UAE have gone into force, it was disclosed last week. The new rules stipulate that a foreigner coming to the Emirates on a visitor's visa will be allowed to stay no more than one month and will not be allowed to enter the UAE again to take up employment there for six months after the date of departure. Persons who entered the UAE on a visitor's visa before the new rules came into force will not be affected by the changes, which were ordered by the UAE cabinet, according to the head of Dubai's Immigration and Naturalisation Department, Col Mohammed Saeed al-Ghaith, at a meeting of his opposite numbers from other Emirates in Dubai.

A related measure which orders employers to advertise job vacancies in the UAE in newspapers outside the Emirates has meanwhile come under fire from the local press. Sharjah's daily *Al-Khaleej* commented that workers in the Emirates who are at present unemployed are foreigners and that the UAE was therefore importing unemployment. Efforts to resolve this problem would not be helped by the new rule on advertising jobs abroad and unemployed persons, the newspaper asserted, were responsible for most of the crimes committed in the past six months. It did not give figures for unemployment in the UAE but added: "We have a real problem, which is that of imported unemployment, for which so far we have not been able to find a solution. The seriousness of the problem is underlined by the continuous official talks on the issue and warnings on its dangers."

The rule on advertising jobs outside the UAE meant, *Al-Khaleej* declared, that "what is likely to happen now as a result of this decision is that the unemployment problem would get worse and result in the creation of a local black market for foreign labour. The country would become a heaven for visa merchants and middlemen. Further, why shouldn't vacancies be advertised locally, particularly in the case of jobs such as secretaries, drivers, unskilled labourers and salesmen and the like? For example, should a government or private establishment look for a driver in India or Pakistan while the country has unemployed drivers?"

ANNUAL SUBSIDY FOR COOPERATIVES

Kuwait ARAB OIL in English No 11, Nov 82 pp 18-19

[Text]

Every cooperative society in UAE and the Federation of Cooperative Societies will receive an annual subsidy of 42,000 dollars, according to Khaleej Times.

Said Al Jarwan, Minister of Labour and Social Affairs, has issued a decree providing for the payment.

There are 11 cooperative societies in the UAE. A total of 458,333 dollars will be paid.

Jarwan issued another decree providing for payment of a total of 1.43 million dollars to 20 associations of organizations, a cultural club and a politico-cultural organization.

A joint meeting of the Ministry of Labour and Social Affairs and the Ministry of Health was held recently and discussed the steps needed for implementing the ministerial decree on medical care for employees in private establishments.

Saif Al Jarwan, Labour and Social Affairs Minister, issued the decree in June making it obligatory on the part of employers to provide medical care to their workers.

The estate department of the Ministry of Finance and Industry has started allotting houses to the federal employees working under local contracts in Abu Dhabi, in accordance with a cabinet decision announced earlier.

Essa Abdulla Al Koas, director of the department, said recently that the allotment was being made on the basis of lists supplied by various ministers, and only to the employees of those ministries which had supplied the department with the list.

CSO: 4400/118

## LAW GOVERNING PHARMACIES APPROVED

Kuwait ARAB OIL in English No 11, Nov 82 p 18

## [Text]

The Federal Cabinet at its weekly session recently in Abu Dhabi approved the law governing pharmacies and pharmaceutical works in the country, according to Khaleej Times.

The law, which had been with the authorities for the last several years, also underwent changes, proposed by a special committee, that had been assigned the work of studying and reporting on the draft law.

The new law, comprising 94 Articles, stipulates the role and scope of pharmaceutical work in the country. According to Article 26 no individual would be allowed to open more than one pharmacy in the country. Pharmacists working in the government would not be allowed to open a pharmacy or to work in it.

The minister of health would decide about importing medicine and would also fix prices for the imported medicines.

The law also stipulates that only those companies registered with the ministry of health would be allowed to import medicine.

The Article that discuss punishment for defaulters stipulate a prison sentence from six months to three years. The defaulter would also be liable to pay a minimum fine of 278 dollars and a maximum fine of 1,388 dollars. The law also stipulates punishment for those traders who deliberately make the availability of medicine difficult for the public. According to Article 82 the licences of such practitioners would be confiscated and they would also be fined.

**Fee**

The fee for a licence to manufacture medicine in the country would be 2,777 dollars

while the fee for other licences would be 55.5 dollars.

The law also deals with the storage of medicine, its pricing and policies relating to the use of such drugs that are considered harmful to the society.

The Cabinet also approved the new procedural draft law on travelling allowances to government employees. The Chairman of the Civil Services Commission clarified that the amended travelling allowances were in accordance with the actual expenses incurred by the government employees representing the country abroad. However details of the amended rates would be made available later.

The session also approved a memorandum submitted by the permanent projects committee to increase the cost of the construction project, involving the maintenance of the road, linking Dubai with the capital.

It is now estimated that 11.66 million dollars would be spent on the first phase of the project that extends from Jebel Ali to the Suweihan cross road.

The Cabinet also approved the plan to conduct training sessions for the UAE radio and television employees in accordance with the AGCC agreement on cultural cooperation and coordination in the field of information and entertainment programs.

It also ratified an agreement signed by the ministry of information with the other AGCC states to preserve the traditional folk arts and the common heritage of the Gulf.

EIGHT COMPANIES FORM GROUP

Kuwait ARAB OIL in English No 11, Nov 82 pp 19-20

[Text] Eight firms operating in Dubai have come together to create a new group of companies with a nationwide outlook, reports the Khaleej Times.

The Al Hathboor group of companies, a partnership between a UAE national, Saif Obeid Al Hathboor, and B T Bablani, an Indian businessman, soon hopes to expand its presence in other emirates and diversify its operations with the backing of its new corporate image.

Bablani and R V Raghavan, chief executive of the group, said the decision to consolidate separate identities of the eight firms was prompted by a desire to pool financial, managerial and other resources available to the owners.

They pointed out that the first of the eight firms was set up 12 years ago, and although this and subsequent establishments had established themselves in their own specific areas, there was no total identity for their operations.

The checks and balances at the disposal of a conglomerate will also now be available to the eight firms, the two said, pointing out that it will greatly aid in plans for future expansion and diversification.

Apart from creating a new corporate administrative set-up by inducting executive personnel, the group has also set up a large office in Deira as part of this policy.

The group is presently involved in industrial supplies, general trading, food processing, oilfield supplies, electrical trade, super-

markets and business in a wide range of consumer items.

Future plans include entry into shipping and insurance business by creating new ventures.

At present it has three units in Abu Dhabi, but Bablani said three more ventures are expected to be set up in the capital by the end of this year.

Formal opening of the group's spacious new head office was in mid-October.

CSO: 4400/118

## POWER STATION GAS CONVERSION

Paris AN-NAHAR ARAB REPORT & MEMO in English No 38, 8 Nov 82 pp 7-8

[Text]

Work has begun on plans to convert power stations in the UAE's northern Emirates to use natural gas rather than fuel oil, Sheiba Saeed al-Hamily, Undersecretary of the Ministry of Petroleum and Mineral Resources announced last week. Mr Hamily said a feasibility study had already been undertaken by an international gas company and that plans based upon this study were now being drawn up. The project is budgeted to cost Dirhams 700 million (about \$190 million) and is scheduled to be completed by mid-1984.

The Emirates General Petroleum Corporation (EGPC) is undertaking the conversion work, which was proposed by the UAE's Minister of Petroleum and Mineral Resources Dr Mana Saeed al-Oteiba and accepted by the cabinet last month. Dr Oteiba is also Chairman of EGPC, which has had its authorised capital raised by the cabinet to Dirhams 3 billion (\$187 million) and the company has been empowered to borrow up to 25 per cent of this sum.

Mr Hamily said converting the power stations would save the government about Dirhams 3 billion over a three-year period once it was on stream. This money would otherwise be paid out in subsidies on oil products in the northern Emirates. In addition, he said, the use of gas would reduce the amount of maintenance work needed at the power stations and would use gas which is produced locally.

Current plans are for EGPC to supply 19 power stations and factories with gas and 120 million cubic feet of gas per day would be provided by the first stage of the project. This would be raised to 350 million cubic feet during the final stage when gas was reaching all consumers and it could be raised to 500 million cubic feet "to meet the increasing demand in the northern Emirates," Mr Hamily said. He added that he hoped the gas pipeline network for the project could be expanded so that it could be linked to Abu Dhabi's network. This would mean that gas could be drawn from several oilfields if necessary to ensure continuity of supplies.

Mr Hamily said about Dirhams 200 million (\$54 million) would be spent on converting the feeding systems at the power stations and that the entire project was being divided into several phases which would be put out for tender "to save time and start operation in mid-1984, as planned before." Special emphasis was being placed on training UAE nationals to operate the project and this training was budgeted to cost Dirhams 20 million (\$5.4 million) a year, Mr Hamily stated.

CSO: 4400/118



UNITED ARAB EMIRATES

OILFIELD OPERATING CAPACITY DOWN

Paris AN-NAHAR ARAB REPORT & MEMO in English No 37, 1 Nov 82 p 7

[Text] Abu Dhabi's Umm al-Shaif and Zakum offshore oilfields are currently producing 250,000 b/d, less than half of their combined production capacity, according to George Manasterski, Director General of the Abu Dhabi Marine Operating Company. Mr Manasterski was speaking at a press conference in Abu Dhabi on October 24 to mark the 20th anniversary of the first shipment of Umm al-Shaif crude oil. The two fields together have the capacity to produce 570,000 b/d but the highest actual output was 500,000 b/d during 1979-1980. Umm al-Shaif was Abu Dhabi's first producing oilfield and had an initial output of 30,000 b/d.

Mr Manasterski said efforts to improve the utilisation of natural and associated gas had accompanied the development of oil production in the fields operated by the company which he heads. Exports of liquefied gas to Japan's Tokyo Electricity Company began in 1977 from the Abu Dhabi Gas Liquefaction Company (ADGAS) plant on Das Island. The plant has a throughput capacity of 550 million cubic feet of gas per day and current throughput is 520 million cubic feet per day. ADGAS, in which 60 per cent of the shares are held by the Abu Dhabi National Oil Company, plans to raise output of gas by drilling four new wells a year and improving existing wells, the OPEC news agency reported from Abu Dhabi last week.

CSO: 4400/118

NEW DUBAYY AIRPORT RUNWAY

Kuwait ARAB OIL in English No 11, Nov 82 p 19

[Text]

The construction of a second runway is among major extensions planned at Dubai International Airport to cope with increases in both passenger and cargo traffic expected over the next 20 years, according to Gulf Mirror.

The new runway will be the same length as the existing one and will run parallel to it.

And among other plans are: Conversion of the terminal basement into a 2,400 square-meter duty-free shopping center.

Construction of a new arrivals terminal.

Conversion of existing terminal into a departure area.

Construction of a building to house air-conditioning and other services.

Construction of a separate cargo terminal.

The Director of Dubai Civil Aviation Department, Mohi Din Abdulkadir Binhendi said that although no set timetable had been drawn up yet, the government had agreed in principle to all the projects.

Binhendi said that he was confident that the cargo terminal and arrival building would be under construction soon. A site for the arrival terminal has already been prepared next to the control tower.

CSO: 4400/118

CONSTRUCTION PROJECT CONTRACTS SIGNED

Kuwait ARAB OIL in English No 11, Nov 82 p 19

[Text]

Mohammed Khalifa Al-Kindi, Minister of Public Works and Housing, recently signed in Dubai contracts for carrying out three construction projects at a total cost of 850,000 dollars, according to Khaleej Times.

The projects included an annexe of the immigration, passport, nationalisation and ports building in Dubai and a marine workshop at Al-Rams and a 24-class room primary school in Ras Al-Khaimah.

The Ministry of Labour and Social Affairs and the World Bank Mission currently visiting the country have completed a joint report on the outcome of their talks for technical cooperation.

The report also included proposals and remarks by Saif Al-Jarwan, Minister of Labour and Social Affairs to the members of the mission about the technical assistances provided by the World Bank for devising a comprehensive manpower information system in the country.

The proposed system will help in thrashing out future policies in man-power planning.

The report also includes proposals and recommendations of the mission for the implementation of the project.

The World Bank will prepare a draft agreement for technical cooperation with the UAE. The draft agreement will be submitted to the Ministry of Labor and Social Affairs for approval.

CSO: 4400/118

ROADS TO CONNECT HISTORICAL MONUMENTS

Kuwait ARAB OIL in English No 11, Nov 82 p 18

[Text]

Paved roads will connect the many historical monuments and archaeological sites in Ras Al Khaimah with the Emirate's road network to make them easily accessible to tourists, said Khaleej Times recently.

Ras Al-Khaimah Municipality and the Tourism Department are working out a plan for the road link, Mubarak Al-Hukeir, Director of the municipality said recently.

The municipality has also started a restoration and renovation program for the monuments including Al-Falaya Mosque and Palace, Zaya citadel, Queen Zabaa's Palace and the graves of Ibn Majid and Ibn Dahir.

Al Falaya Mosque, built about 200 years ago, has two parts — one for prayer during summer and the other for winter. To its left stands the Governor's Palace. Al Majlis, the main part of the palace, has towers with many ventilators which served the purpose of the modern airconditioner in those days. The governor used to spend almost all his evenings in Al-Majlis, receiving guests and listening the people's grievances.

The Zabaa Place was the winter residence

of Queen Zabaa, an Arab queen who ruled over Syria, Iraq and the Gulf region in the fourth century. The palace, at Huniel, was strategically situated for the queen had wars with the Roman empires.

The Zaya citadel, atop a hill, was used by Narcus of Alexander the Great's army on its way for the invasion of India.

An excavation team headed by Professor D. Denlkson, which has been working in the emirate for the past five months, has unearthed in the southern region coins which, according to a British Museum report, belonged to fourth century AD. The coins had been used in Samarkand, Tashkant and Persia.

The archaeologists have also found stone utensils and tools belonging to 2500 BC. These are of the same age as the findings made at Al-Hafit in Al-Ain.

When the national museum is opened, many of the archaeological findings will find a place there. In the meantime the municipality is taking care to protect the sites, of which there are some 58 in the emirate.

CSO: 4400/118

UNITED ARAB EMIRATES

BRIEFS

ARAB-AFRICAN BANK FUNDING--The UAE cabinet last week approved a proposal to contribute 40 per cent of the capital of a new Arab-African bank which is being set up in association with the Arab-African International Bank. The new financial institution, to be known as the UAE Arab-African Bank, will have an authorised capital of Dirhams 500 million (\$135 million) and a paid-in capital of Dirhams 250 million (\$67.5 million). The cabinet's approval was contingent on an eventual offer of 49 per cent of the government's shares in the bank to the general public in the UAE. The government's shares are to be vested in the Ministry of Finance and Industry. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 39, 15 Nov 82 pp 5-6]

CSO: 4400/118

SOVIET MOSLEMS SEND MESSAGE OF RELIGIOUS SOLIDARITY

Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 25 Oct 82 p 1

[Text] "We Muslims of the USSR are following with extreme concern the aggressive acts of the United States that result in direct interference in the internal affairs of independent Afghanistan. Our anxiety stems not merely from the common border between the Soviet Union and democratic Afghanistan but also from the traditional close ties between Muslims of Soviet Central Asia and our Afghan brothers. Racial blood and religious ties bind us together.

"We Muslims of the Soviet Union from the first days of the announcement of the new government of Afghanistan have assessed as excellent its policy based on respect for Islam, a basic principle for building a new society.

"All the thoughts of the revolutionary government are aimed at serving Muslim workers and at establishing a peaceful and prosperous life. Whatever action the new government takes is for the benefit of sacred Islam and its followers.

"Our brothers in Afghanistan support the domestic and foreign policies of the new government. They have no desire for continued fighting and fratricide but want peace and tranquility. Nevertheless, the enemies of the people of Afghanistan think otherwise. They want to see the country sink in blood.

"Soviet Muslims consider the crimes of terrorist bands sent into Afghanistan from outside contrary to Islam and religious law, contrary to the verses of the Holy Koran of their compatriots, and condemn with repugnance the killing of women, old men and children. These bandits burn religious books, set fire to Islamic libraries, destroy mosques, insult and kill their co-religionists. Many religious leaders became sacrificial victims of these unbridled, irreligious people.

"The bandits have forgotten that the Almighty sees all and will vent His fury on them for their crimes. For it is written in the Holy Koran: 'The filthiest person is he who prevents the mention of God's name in places of worship and tries to destroy these places. They should enter these places with fear and awe. In this world they face dishonor and disgrace, in the next great punishment.' Holy Koran, 2nd sura, 108-114.

"These persons, who have lost themselves, refer to themselves as Muslims and followers of Islam even though they try to bomb the most sacred thing in our religion, that is, the mosque of the Exalted Ali. These bandits who call themselves the "Defenders of Islam" are in reality tools in the hands of imperialist forces under the dominance of the United States.

"Afghanistan is not the only place where the United States shows its disdain for Islam and Muslims.

"Ten thousand Muslims of Iran lost their lives because of the repressions of the shah who was the executor of Washington's policy in the East. Thousands of Palestinian and Lebanese Muslims have been savagely done away with by the Zionists who derive their inspiration from U.S. imperialism. Today when Muslims die in the world, when sanctities of Islam are eradicated, when the enemy sets Muslim lands on fire, the anti-Islamic policy of the United States, in the first instance, is the guilty one.

"All followers of our sacred religion must unite to safeguard the sanctities of Islam against the efforts of international imperialism and stop its interference in the affairs of Muslim nations, including the affairs of democratic Afghanistan. We must force the United States to call off its undeclared war against the young republic, which is busy building a prosperous society, a society functioning without the use of force, a society of free and equal Muslims."

Z. Babakhanov, mufti and director of the office of spiritual affairs of Muslims of Central Asia and Kazakhstan; T. Taziev, mufti and director of the office of spiritual affairs of Muslims of the European section of the USSR and Siberia; M. Gikiev, mufti and director of the office Muslim religious leadership of the Northern Caucasus; Alashgur Pashazadeh, Sheykh ol-Eslam [title of head of religious hierarchy] and director of the office of Muslim religious affairs, Transcaucasia.

5854

CSO: 4665/1

PROGRAM TO EXPAND INDUSTRIES OUTLINED

Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 29 Nov 82 p 2

[Text] Putting small manufacturing operations on a cooperative basis is a complicated and, given our social conditions, a difficult issue that should be organized with care and based on practical experience and the cooperative attitude of the masses. "Not to get ahead of the development of the masses but to wait so that the movement toward progress grows from the personal experience of these masses, through their own struggles."

Putting small industries on a cooperative footing does not mean to limit the scope of operation of such productive units or negate individual economic initiative. Rather, all economic levers such as the role of cash products, bazaar trade, etc., which favor small industries, will continue unchanged and will be expanded on a new footing.

Therefore, the progressive industrialization program, in its relationship with small industries generally, will include action to create kindred small industries in manufacturing cooperatives, the establishment of raw material cooperatives and government help in this regard, the establishment of cooperatives to distribute the output of small industries, the establishment of credit cooperatives, the establishment of production links between big and small industries, providing small industries with modern facilities and bringing small industries under the economic program through production and distribution cooperatives.

"Aid to rejuvenate and expand national handicraft industries" is also to be considered in the progressive industrialization program. Handicraft industries reflecting famous Afghani folklore and constituting major export items will be substantially expanded, and the progressive industrialization program will include in this regard self-operating handicraft industries cooperatives, credit aid to handicraft industries, government purchase of handicraft manufactures and products and an end to the activities of brokers and middlemen in this regard.

Under conditions of the national and democratic revolution, the relationship between goods on the trade and distribution level becomes historically important and will be expanded in conjunction with the social division of labor and specialization of output, but in developing the interrelationship



of goods on an antifeudal, anti-imperialist and, in its extreme form, anti-revolutionary capitalism, the situation will be so organized that the growth of capital goods based on increased operations resulting from new manufacturing relationships will not result in the growth of capitalist elements. Therefore, according to the progressive industrialization program, conditions will be created to allow the exchange of uniform goods to replace the trade in spontaneously produced goods.

The gradual transition from the exchange of dispersed and self-sustaining goods to uniform and planned exchanges, from private and individual trade to government and cooperative commerce, has great importance from the practical and historic viewpoints because on the one hand it is an active link between various economic sectors of the nation and strengthens small industries and in the long run the farmers, and on the other hand it eliminates brokers, profiteers and middlemen, prevents the growth of capitalist elements and sets the stages for success in the building of the new society.

Thus, under the progressive industrialization program, the foundations of the new social order will be established and developed; the interrelationship of the working strata, races and tribes and the remodeling of society's class and national structure will be speeded up; formation of working class attributes will be elevated through expansion of the social role of the government and cooperative sectors; the existing revolutionary proletariat, particularly in the government sector, will be effectively organized, and its leadership role, on the basis of revolutionary events, will be expanded; and the reconstruction of villages will be carried out for the benefit of farmers and workers and as a result the relationship between farmer and worker will be strengthened in practice.

Therefore, the progressive industrialization program is an important means for achieving basic changes in the building of our society, "the issue concerning long-term views being linked with clarification of these changes."

Under present conditions and in the set direction toward a society of social justice, industrialization is considered a major responsibility of the national democratic revolution and a program that will eliminate the last vestiges of neocolonialism, which was intended mainly to hold back the industrial growth of backward countries, through active and effective anti-imperialist functions. It follows that from the practical point of view, industrialization consists of a dynamic development within which national and international dimensions have been simultaneously considered. The national side of the matter cannot be solved effectively through the international side.

5854

CSO: 4665/1

## MUJAHEDIN SUCCESSES IN KABUL, PROVINCES REVIEWED

Tehran KAYHAN INTERNATIONAL in English 8 Dec 82 p 1

[Text]

ISLAMABAD, Dec. 7 (Dispatches) — Muslim Mujahideen have launched a campaign of pre-winter attacks in Afghanistan's capital of Kabul and second largest city of Kandahar, western diplomats and refugee sources said today.

Diplomatic sources in Islamabad said there had been almost daily bombings and acts of sabotage in Kabul while the guerrillas moved around openly in some parts of Kandahar.

The attacks had reached a point where Afghanistan's official media reported some of them, either to preserve credibility or in an attempt to discredit the guerrillas, they said.

In the past the official media rarely reported war events unless they involved a significant government victory over guerrillas.

But in recent days news organizations like Radio Kabul have regularly announced arrests, trials and executions of guerrillas involved in bombings and other attacks.

Refugee sources said the campaign was a final effort before snow completely closed isolated mountain passes and made it difficult to resupply guerrilla units.

In Kabul, the most heavily guarded of Afghanistan's cities, the guerrilla attacks have mainly involved bombings.

The sources said there was a blast in a restaurant two days ago which was heard several miles away.

Last month there were other bomb explosions in the same area causing dozens of casualties.

Diplomatic sources said one of the capital's main hospitals, at Kabul University, was not able to admit any more casualties because it was full with the victims of earlier attacks.

Two Communist Party militia members were murdered last week in daylight on the steps of a building at the university, the sources said.

They added that two Soviet and Afghan convoys trying to reach Kandahar, about 480 km (300 miles) southwest of Kabul, were badly mauled by guerrillas in the past two weeks.

Diplomatic sources said that after a roundup of guerrillas in the city last January the security situation in Kandahar had deteriorated again.

Fighting between guerrillas and government forces broke out daily at around 5 p.m. and essential services had almost stopped functioning.

Travellers from the city said the only electricity supplies came from privately-owned generators.

The sources said many Afghan military officers had been kidnapped in recent weeks and Soviet forces in the area were confined almost exclusively to the heavily defended airfield on the outskirts of Kandahar.

Meanwhile, West German diplomats said the Kremlin was concerned by the high cost in men and money of its estimated 100,000-

strong military presence in Afghanistan.

Moscow was having increasing difficulty in explaining its Afghan intervention to the Soviet people, they added.

"Some of the gestures and hints given in talks around the funeral (of former Soviet Leader Leonid Brezhnev) between Yuri Andropov and Bonn's Foreign Minister Genscher suggest they may be trying to get rid of this very heavy mortgage," one diplomat said.

The diplomats pointed to other meetings around the Brezhnev funeral with Pakistani President Zia ul-Haq and then-Chinese Foreign Minister Huang Hua at which Afghanistan was discussed.

The diplomats said Genscher was convinced the Soviet hints were more than just a public relations exercise.

Since the Soviet Union had linked a withdrawal from Afghanistan to the removal of outside interference, it was up to Moscow to determine when that condition had been met, they said.

"The question is how the Soviets sell the idea of a pullout to the international community," one diplomat said.

"We did have indications in Moscow that at least this is part of their thinking at present," he said.

Shultz met General Zia yesterday before flying to Bonn at the start of a seven-nation West European tour.

CSO: 4600/153

# MEASURES PLANNED TO PRODUCE MORE ELECTRIC POWER

Kabul HAQIQAT-E ENQELAB-E SAWR in Dari 21 Oct 82 p 1

[Text] Electric power plays a significant role in the world and specially in developing countries in industrial expansion and improvement in the standard of living, helping to accelerate the pace of economic growth.

In our country, the national democratic Sawr revolution, particularly its new evolutionary phase, has brought prosperity and hope to our working people, who had lacked minimum living facilities, and has linked this with the achievement of profound and basic changes in all economic and social sectors. In this context, the strengthening of the electricity supply sector assumes a very important role, since energy is needed in economic and technical areas for running our huge factories, for roads and lines of communication, radio and television and for improving the standard of living.

In that regard, the action program of PDPA speaks about the need for "the overall strengthening of the national economic base through the expansion and renovation of power plants, existing power lines and the planning, coordination and growth of a single power supply system in Afghanistan, bearing in mind the utilization of all combustible and energy resources of the country."

With this in mind, work has started on the 220-kilowatt transmission line from the Soviet border to Kabul. The first phase of the project is the continuation of the 220-kilowatt line to Kholm and Mazar-i-Sharif while the second phase involves continuation of the 220-kilowatt transmission line to Pol-e Khomri and Kabul. Project work on the first phase has been completed while the preliminary survey work of the second phase is under way. Construction and assembly work on the first phase is due to start in the first quarter of 1983 and be completed by the end of 1363 [March 1984]. The second phase is due to start in the spring of 1984 and be completed in 5 years.

Completion of this line will add 250 megawatts to the existing capacity and to some extent alleviate the country's electricity shortage.

The cost of the 220-kilowatt transmission line project will be \$26,000 [sic] and \$200,000 [sic] in Soviet credit and 336,000 afghani from the government's

development budget. The purpose of this project is to alleviate the electricity shortage in the Kabul area and the country's northern region, especially in running industrial plants particularly the 'Aynak Lowgar copper venture, a very important and beneficial project, as well as providing supplies to localities that are without electricity.

It must be noted that electrification of the country is among the major objectives of the party and the government and is reflected in the development plan for the construction of power plants to meet the country's electricity needs through the establishment and construction of an efficient energy supply system based on expansion and renovation, including plants and high-power transmission lines.

With the implementation of development plans that include major electrification projects, the problem of our people in producing and distributing electricity will be eliminated. The 5-year plan includes 23 electrification projects in the provinces. Of these, 16 are continuations and 7 are new.

5854

CSO: 4665/1

GROWTH TARGETS ARE REVISED DOWNWARD

Kuala Lumpur BUSINESS TIMES in English 1 Nov 82 p 5

[Text]

DACCA, Oct. 31  
BANGLADESH Finance Minister A.M.A. Muhith said he is not as optimistic now as he was at the time of the July budget and gross domestic product growth will fall short of the fiscal 1982-83 target of over six per cent.

Nevertheless growth in the year ending June 30, will be at least four per cent, compared with 0.6 per cent in 1981-82, he said.

He noted the country is showing little sign of pulling out of recession despite initiatives recently to boost industrial output and agricultural production.

He estimated the balance of payments still gives cause for concern and the 1982-83 deficit will rise to some US\$1.6 billion from US\$1.2 billion in 1981-82.

Imports this year are put at about US\$2.2 billion against a US\$2.4 billion target which was about the same as 1981-82 imports. Exports are expected to be in line with projections at between

US\$650 and US\$675 million against earnings of US\$625 million in 1981-82.

The balance of payments gap will continue to be financed by foreign aid and he estimated disbursements at some US\$1.33 billion to US\$1.35 billion.

He said additional food aid had been made available because of lower productivity, mainly rice crop of 1981-82 and the expected shortfall in the second rice crop.

He said the foodgrain crop situation did not look too good up to the middle of October but following recent good rains and the accelerated programme for the third crop, he now expects total production to be about 15 million tonnes against 14.1 million last year.

He noted that industrial activity for the year had been below that of the same period last year but said with greater confidence in the economy it should be possible for the private sector to show an increase, despite the recessionary climate. — Reuter

CSO: 4200/524

FRANCE 'STRONGLY WARNED' TO STOP HARASSING IRAN DIPLOMATS

Tehran TEHRAN TIMES in English 12 Dec 82 p 1

[Text]

TEHRAN (IRNA) -The Foreign Ministry of the Islamic Republic of Iran on Friday strongly warned the French government for its harassment of Iranian diplomats in that country and threatened retaliatory measures if the French government did not give a suitable response for its actions.

In a contact with IRNA, a Foreign Ministry spokesman said that French police had badly beaten and tortured two Iranian diplomats in Paris, one of whom was hospitalized for spleen injuries and the other suffered a broken jaw on Wednesday.

He said that the diplomats were arrested illegally and that this was flagrant violation of human and international laws.

"The French police... have openly trampled upon the legality of the Vienna convention accords concerning diplomatic immunity in their commission of such heinous

deeds," the spokesman said.

While expressing strong protest to the French government over the incident, he said that, "if the French government would not give an acceptable reason for these inhuman actions by its police and if it is not able to provide security for the life of Iranian diplomats and citizens, the Foreign Ministry of the Islamic Republic of Iran would decide on appropriate measures in this regard and the French government would be responsible for its consequences."

The diplomats were freed on the same day after hours of beating and torture by the French police.

"This is not the first time that the French government, which introduces itself as a supporter of freedom, democracy and Human Rights, has stepped on all human and international laws by following the savage actions of US imperialism against the Islamic Revolution of Iran," he said.

CSO: 4600/157

PREMIER DENOUNCES FRANCE'S PRESENCE IN NONALIGNED CONFERENCE

Tehran TEHRAN TIMES in English 7 Dec 82 pp 1, 2

[Text]

TEHRAN, (IRNA) - Iran's Prime Minister Hussein Musavi on Sunday officially condemned participation of France, as an observer, in the forthcoming Non-Aligned summit conference. He said that France was member to Western military and economic pacts.

Speaking after a Cabinet meeting, Musavi stressed that France had a disgraceful reputation on the past century adding that its crimes in connection with Algeria, Arab countries and Third World states would not be forgotten.

The prime minister noted that by embarking on a vicious political act, France was trying to interpret its support for terrorists and hypocrites whose hands were stained with the blood of innocent Iranians.

French Minister for external Relations, Claude Cheysson while visiting Kuwait some two weeks ago had made remarks which was an interference in Iranian affairs and a clear indication of the French government's support for the Iraqi Baathist regime.

Referring to strong relations which France enjoyed with Iraq of continuing the war.

Ever since the outbreak of the imposed Iraqi war, in Sept. 22, 1980, the French government has been fanning the flames of the war by providing the Iraqi regime by armaments and munition including Mirage fighter-bombers and Exocet missiles.

Commenting on presence of American forces in Oman for a joint military maneuver Prime Minister Musavi said that following victory of the Islamic Revolution of Iran, military maneuvers of the U.S. in the Persian Gulf and the Indian Ocean has increased in a threatening manner. Such movements he added were meant to assure the lackey government including that of Oman of U.S. support. However, the important point was the willingness of people of the countries of the region to encounter all these plots. Such maneuvers he further stressed would result in nothing but intensification of wrath of the people of the region.

When asked to comment on the current visit of the U.S. President Ronald Reagan to several Latin American countries, Prime Minister Musavi said that the U.S. had vested



interests in these countries and they could be considered as U.S. colonies. However, people of Latin American countries due to years of U.S. domination and exploitation were hateful of the U.S. government and the current trip of the U.S. president only increased this hatred and speed up the process of their struggle against U.S. imperialism.

Commenting on books and maps printed by Iraqi Baathist regime in which parts of Iran are given Arabic names, the prime minister of the Islamic Republic of Iran said that was a plan of imperialism which showed interest of big powers for partition of Iran. The Iraqi ruler, Saddam Hussein, has been used by superpowers as a means for implementation of their plans he told reporters.

As for intrigues of the Kuwaiti government against the Islamic Republic of Iran, Prime Minister Musavi said that the Kuwaiti government would finally pay the price for such instigations.

Commenting on recent

so called proposal of the Iraqi ruler to hand over the Iranian youth captured in the course of the Iraqi imposed war on Iran to the Iranian government through the intermediary of the French government the prime minister said that Saddam Hussein had in fact proved his friendship with the French government. "If his proposal was on humanitarian grounds he could have done it through the Red Cross International" the prime minister of the Islamic Republic added.

The prime minister then referred to the proposal of the Islamic Republic government of Iran last year concerning exchange of visits between PoWs and their families which Saddam Hussein refused to accept fearing that such visits would make the Iraqi families aware of the realities of the Islamic Revolution of Iran and thus the Iraqi regime would further be threatened.

He concluded saying that Saddam Hussein had suffered repeated defeats and was resorting to various political deceptions to cover them up.

IRAN FULLY PREPARED FOR DIRECT CONFRONTATION WITH U.S.--RAFSANJANI

Tehran TEHRAN TIMES in English 11 Dec 82 pp 1, 2

[Text] TEHRAN (IRNA)--Majlis Speaker Akbar Hashemi Rafsanjani Wednesday night commented on the recent shelling of Gilan-e Gharb (in the western province of Bakhtaran) by the Iraqi regime.

He emphasized that when a blow was dealt to Iraq, it would resort to such acts in order to have some news for its people. Of course, Rafsanjani added, the Islamic Republic had decided to respond in connection with this in such a way that the Iraqis would never again embark on such measures.

Speaking after a Supreme Defense Council (SDC) meeting, Rafsanjani referred to the visit of a number of Iraqi PoWs' representatives who conferred with him. He said that there were a great number of them who were ready to cooperate

with the Islamic Republic. They asked for technical or military facilities and equipment and were told that according to international regulations PoWs could not be kept in the war zone. But, the speaker added, if the Iraqi Revolutionary Council were willing to use the PoWs in the forces they had formed to fight against Saddam, the Islamic Republic would not prevent them.

Rafsanjani, who is also Imam Khomeini's representative at the SDC, commented on the new propaganda campaign launched by Saddam Hussein of Iraq involving delivery of young Iranian PoWs to Iran through France, adding that this was a completely shame measure.

He noted that previously Iraq remained silent vis-a-vis

the Islamic Republic's humanitarian proposal calling for reciprocal PoWs families' visit. He further said that by involving France, Iraq was rewarding the latter for its aid to Iraq in an attempt to portray it as a benevolent mediator.

Since the Islamic Republic knew that France lacked benevolence and intended to manipulate this issue as a propaganda ploy, it suggested that if Iraq had such a plan it would be better advised to put into practice through the International Red Cross and Iran would welcome it, the Majlis speaker said.

Commenting on the U.S. forces maneuvers in Oman, Rafsanjani said that whenever U.S. agents in the region were frightened, the U.S. would strengthen their morale, dream-

ing that Iran would be scared of its vicious acts.

What did the U.S. achieve in Vietnam, where it used so much force and what has the Soviet Union accomplished in Afghanistan?, Rafsanjani queried.

The Majlis speaker stressed that the Islamic Republic had repeatedly declared its readiness to confront the U.S. directly instead of indirectly through its regional agents. "When our people commenced its struggle against the U.S., it prepared itself for these tasks," he said.

Rafsanjani emphasized that the Islamic Republic was fully ready adding that the U.S.'s history in Vietnam, El Salvador and elsewhere showed that such moves would no longer frighten people of the world.

# CIA ALLEGEDLY PAYING COUNTERREVOLUTIONARIES

Tehran TEHRAN TIMES in English 11 Dec 82 pp 1, 2

[Text] LONDON (IRNA)--The New York Times, in a recent issue, confirmed the Iranian government's accusations that the notorious U.S. Central Intelligence Organization (CIA) has disbursed millions of dollars to heads of anti-Islamic Republic of Iran terrorists now residing in Paris.

The article said that the money went towards financing criminal exploits of the counterrevolutionaries in Iran.

It further said that the money went towards such heinous crimes as sabotaging economic installations in Iran, assassination of religious and political figures, and bombing of public places.

All of these crimes, it should be mentioned are in accord with the U.S. government's undeclared war on the Islamic Republic of Iran via its internal mercenaries.

The role of the CIA the paper was quoted by the central news office here, was to teach and train internal enemies of the Islamic Republic in the art of sabotage as well as dectetful and poisonous propaganda in an attempt at assassinating the character of the Islamic of Iran.

The terrorists' job was to supply foreign news media with contrived information on events taking place in Iran. Coinciding with these U.S. plots was the Iraqi imposed war on Iran and subsequently the Zionist aggression on Lebanon which was designed to save Saddam's regime from collapse.

Concluding, the report commented on the worsening political and economic instability in Iraq which once again compelled U.S. officials, namely Reagan to voice his concern about the Islamic Republic of Iran and the contrived threat that it portends to regional countries in the Persian Gulf region and U.S. interests in the area.

CSO: 4600/156

NAVY COMMANDER DISCUSSES GULF SECURITY, U.S. ROLE, IRAN'S NAVAL STRENGTH

Tehran ETTELA'AT in Persian 27 Nov 82 p 2

[Text] [Commander Afzali, chief of the Navy of the Islamic Republic of Iran, accompanied by Hojjat ol-Eslam Elahi, director of political ideology of the naval forces, took part in a press conference and spoke about Navy Day, the imposed war, training of personnel, the situation in the Persian Gulf, Oman Sea and the Indian Ocean and the presence of the United States in these regions. The first part of the talks concern the remarks and statement of the commander of the naval forces which we bring you below. Hojjat ol-Eslam Elahi's statements will be published in tomorrow's issue.

Commander [Bahram] Afzali began by referring to 28 November, Navy Day by saying:

In the name of God, the compassionate, the merciful. 28 November is Navy Day. On this day a number of the white-clad of the sea created an epic and left us memories of an immortal battle that claimed the lives of some of them. We honor the memory of these great individuals by designating this Navy Day.

Commander Afzali added: The war continues in full fury, a war which in reality is a war of the United States against the Islamic revolution of Iran with the aid of the reactionaries of the region and all resources of the major powers.

Those who wanted to overthrow our regime not only failed in their plots and conspiracies but the very existence of the regime which launched the aggression is under serious question. We hope that with the ideological struggle of the people of Iraq and with the help of our own fighters, God willing, to consign the despicable Ba'athist-Saddamist regime in that Islamic country to the garbage bin of history.

Mideast Issue

The commander of the navy continued: The Middle East is a huge treasure over which lies a bloodthirsty dragon. This dragon is the United State and its associates. In order to remove this dragon from atop the treasure and to restore the rights of the people who live in this fertile land, the only way possible during our lifetime is ideological and religious struggle and mobilization of all the masses aimed at the destruction of the dragon.

Thus our war is not a war against Saddam. Our war in general is against the oppressor and for the rights of all peoples of the Middle East.

Our war is a war of liberation for all oppressed nations of the region. Its desired effect will in the future become positive and active throughout the world.

Our martyrs are priceless martyrs. Perhaps if the pages of world history are turned, they are genuine and unknown martyrs; nevertheless they are filled with and effected by faith in God and great love for Islam. God willing and with reliance on the one and only Almighty, they will be successful, aided and victorious in this important endeavor.

#### Saddam's False Claims

Commander Afzali referred to a recent statement by Saddam to the effect that he had destroyed 5 ships in the Persian Gulf by saying: The Iraqi regime up until now has made many a claim. Hitting 5 ships, tankers no less, is not something that can be concealed.

As soon as the least thing happens to a merchant ship or a tanker at sea, maritime supervisory centers such as Lloyd's come to know about it.

It is sufficient for the rejection of Saddam's false claim to say that Lloyd's has officially denied this news item and the respected minister of petroleum denied in an official statement that any foreign tanker had been sunk or damaged in the environs of Khark Island.

Referring to the Iranian naval forces and the arming of the Iraqi naval forces by the major powers, Commander Afzali said:

Seafaring is a new vocation for the region. In order to make a good ship commander, you must provide the best training over a period of 15 or 16 years and to pick a man who is above average as far as intelligence, understanding and education is concerned. A little over 54 years have passed since the Iranian navy was officially inaugurated. In fact we are the most experienced nation in the region from the point of view of seafaring, experience and use of over-water facilities.

No other nation of the region has our naval experience and service. If we compare the level of training, skill and tactics in which our officers are versed with what Iraq has, the difference becomes clear. If there is a shortcoming it is in the area of equipment. You can buy equipment by paying more money or less money but you cannot buy the human being. There is no way you can import a qualified ready-for-combat officer from another country, but you can import equipment.

#### Repair and Maintenance

Referring to the repair and equipment of naval forces after the Islamic revolution, Commander Afzali said: Thank God, due to efforts which were begun and are continuing we do not have any major shortcoming in so far as facilities and maintenance workshop and repair equipment are concerned.

From the maintenance personnel point of view, we have the needed experts at all repair levels, of course qualitatively. There may be some shortcomings from the viewpoint of quantity which we shall offset by trying more, by working harder than limit and by relying on the help extended to us by people.

Since the victory of the revolution we have been able to accomplish things which for many of us had not seemed possible.

Now, at a blinking of an eye and with interesting scientific simplicity we courageously open a rocket, find the defective parts, repair or replace them and use it after installing and testing them.

In this respect there are shortages from the point of view of access to sensitive parts.

We have tried thus far to keep high the stock level of our storerooms by using less, by acquiring some stocks on the free world market or even indirectly. Although more than 26 months have passed since the start of the imposed war, our situation is better than it was the first day of the war.

#### Arms Race

Referring to the condition of the Iranian Navy in the Persian Gulf and the question of strengthening the naval forces of countries of the Persian Gulf region, Commander Afzali said: An unlimited and uncontrolled arms race is taking place in the region by super powers in order to loot the riches of the deprived and oppressed people under the name of the sovereignty of present regimes which in fact would have nothing to fear if they rely on their people's support.

They, therefore, surround themselves with arms depots to insure their own survival and think such arms stockpiling can save their being.

They have forgotten the experience of the former regime of Iran. Regimes of the region are destined to have the same fate as the wretched Pahlavi regime. The mistakes they made are now being repeated by these regimes.

This arms race in the first instance creates an atmosphere of mistrust, to be followed by an atmosphere of tension in the region. The commander of our country's naval force added: We have no desire for an arms race or the stockpiling of various weapons; in other words a repetition of the policy of the accursed shah as gendarme. But we do not shirk our legal and indisputable right of defense of our welfare and rights within our own limits. It therefore follows that within the minimum limits of our needs in this respect, we have a program we have started and are continuing.

#### Strait of Hormoz and the U.S. Role

The commander of the naval forces then spoke about the situation of the Strait of Hormoz as well as the presence of the U.S. fleet and other countries in the Persian Gulf and the Sea of Oman, by saying:

In an official communique issued on the first and second day of the start of the imposed war, the government of the Islamic Republic of Iran officially guaranteed the security of the Strait of Hormuz and the security of shipping in an area which was not related to the conflict and throughout the war, and has in practice demonstrated its sense of responsibility and truthfulness.

The propaganda put out by others to the effect that Iran threatens the freedom of control and navigation in the region is merely a pretext for their own utmost and expanded presence in the region.

They are thus resorting to demagoguery and by this label are following their own dirty desires.

We do not want the presence of any ships from countries outside the region not only in the Persian Gulf and the Sea of Oman but also in the Indian Ocean.

Commander Afzali added: The 1971 United Nations resolution has clearly declared the Indian Ocean a region of peace to be free from atomic weapons.

This is also the policy of the government of the Islamic Republic. We reject the presence of others. We consider them contrary to the interests of all countries of the region and wish they would get the hell out and leave the people to themselves so that they can determine their own destiny.

In order to put a seal of approval on their propaganda regarding the Strait of Hormuz, they are busy digging a more than one kilometer long canal south of the Strait so that, in their way of thinking, if a danger should threaten from the Iran side, they could use that canal to transport their oil needs. A number of large bases have been built in Oman and a number of others are in the process of construction. These include a very large airport which is ready for operation and can be used by giant transport planes of U.S. Rapid Deployment Forces.

The several thousand feet runway at Masirah airport has been extended by at least 4,000 feet more and has been so designed that giant American transport planes, which in fact are the biggest of their kind in the world, can use the airport. In addition to these 2 airports, 2 more airports are being built in Oman to be used by the United States. These are in addition to a number of other airports built for the United States by Saudi Arabian money on Jazirat al-Arab (island).

In addition to these, the runway at Diego Garcia has been expanded by more than 12,000 feet and has become the key point for the storage of supply equipment for a major part of the Rapid Deployment Forces.

Commander Afzali continued: The Diego Garcia bay has been dredged so that its previous depth of approximately 7 meters has been deepened to a point that the biggest aircraft carrier of the United States, that is the Nimitz can pass through along with its escort vessels. The United States is expanding the Israeli-built airport in Sinai; the airports in occupied Palestine and the port of Berbera in Somalia, which had limited ship navigation facilities and was a small jetty, to allow anchorage for its ships.

The port of Mombasa in Kenya has also undergone major dredging operation at a cost of several hundred million dollars. In reality it is preparing a permanent foothold for itself in the Indian Ocean; something which will not only heighten tension but will be harmful for all countries of the region. Of course the United States does not say it intends to attack the Islamic revolution. It says it wants to stop Soviet influence! But another one of its objectives is to crush the Islamic revolution which has sprung from the hearts of the multi-million masses of our Muslim people.

The commander of the naval forces explained: You know new agreements are being signed involving Saudi Arabia, Somalia, Egypt and another country; that is the revival of the thing which the shah had with all his dependency.

#### The Absence of Direct U.S. Interference

In answer to a question as to whether the United States would interfere directly, Commander Afzali had this to say: With the signing of SALT-I or "detente", the principle of which is based on a balance between East and West strategic forces, the power, which always considered itself on a higher level and said that it had strategic superiority and so on, officially agreed that when it comes to a look at the final total of forces it is the same as the other side.

Commander Afzali added: It is true that Reagan has begun a huge arms race which involves a program of 1,500 billion dollars over a 5-year period (from the time he came to power), nevertheless the substance of detente has still not changed in the world.

If we put this balance of strategic forces on the table, in my view direct U.S. intervention cannot take place but given the lunatics living in the White House nothing is improbable.

In other words, if we wish to use mathematical calculation the situation is the way I explained it; but if we wish to look at the lunatics, we see a madman sitting there who with one push of the button can end it all.

The commander of the naval forces had this to say concerning rumors about Iran's purchase of submarines: We had a suspended contract with Germany for the supply of 6 submarines, having paid a quarter of the cost involved. Presently the question is whether we should get back our money or get the submarines.

He was asked whether navy personnel would continue to be sent abroad for training. He answered: Our aim is to be selfsufficient in regard to the training of the lowest to the highest ranks but in order not to fall behind the technology of the day, we are prepared to have scientific exchange with any country willing to train a limited number of our personnel. This is something being done by almost all naval forces in the world.

5854

CSO: 8040/0415



## IRAN

### KHOMEYNI'S SON DISCUSSES WAR, TERRORISM, POLITICAL, ECONOMIC ISSUES

Tehran ETTELA'AT in Persian 10 Nov 82 pp 10, 14

[Text] In issue No 24 of the monthly magazine SHAHED (the publication of Shahid-Martyr Foundation), there is an interesting interview with Hojat-ol-islam Seyed Ahmad Khomeyni, the son of the imam. Because of its importance and his views, we print the complete text of that interview. As noted in the introduction to this interview, in it the son of the imam discusses his views on different issues such as relations between the government and the Islamic Consultative Assembly (Majlis), problems in executing the laws approved by the Majlis, standards for the independence of the country's economy, the aims and stages of terrorism and the causes of its defeat in Iran, the course of Bani-Sadr's thoughts, the provisional government, the reopening of the universities and fulfillment of the cultural revolution, the aims and plans of the West and East in Iraq following the fall of Saddam and the Ba'th, and the need to expand educational efforts of the Islamic Republic of Iran for the Muslim people of Iraq. Selected portions of the interview follow.

#### Relations Between the Government and the Majlis

[Question] How do you view the relations of the government and the Majlis, and in your opinion, to what extent has the government succeeded in implementing the laws approved by the Majlis?

[Answer] In the name of God, the compassionate, the merciful, thanks to God, the relations of the Majlis and the government have been based on harmony and mutual understanding from the beginning. Even when Bani-Sadr was President and was in charge of affairs, relations between the government and the Majlis, including the government of Mr Raja'i and after him the government of Mr Bahonar, and the government of Mr Mahdavi Kani, up to the present government, have been characterized by the necessary cooperation. We believe that the majority of those in the Majlis and the government are working by Islamic standards and within the framework of Islamic teaching. They do not take any steps against Islamic interests. The Islamic Consultative Assembly, due to the unislamic society that existed before the revolution, now faces many difficulties. Since the activities of the Majlis of the previous regime were based on monarchial standards in law making, it

had nothing to do with Islam. The Majlis deputies of that era were trying to impose on society the wishes and opinions of the ruling government, colonialism and themselves in the guise of laws. After the revolution, the main problem of the responsible authorities was the existence of these irreligious and inconvenient laws. The Majlis had a sensitive and momentous task in this regard. On one hand it had to abrogate the unislamic laws and pass laws according to the principles of Islam, and on the other hand it had to decide about new and unforeseen issues. The government was faced with these problems too. If sometimes the government is not in agreement with the Majlis, it is for two reasons. First, the existence of the previous laws, which is the biggest obstacle. Second, the new laws that are approved and that have been presented to the government. Sometimes these new laws confront the previous views and ways of thinking of the people. In the course of explaining these new laws to the people, their implementation meets with some shortcomings. But in my opinion, there is no difference in the line of thinking of the Majlis and the government. As I have mentioned, the majority of the members of the Majlis are very fine and religious individuals and our government is also a fundamentalist government and is destined to serve the people and implement the divine and legal laws of Islam. We are certain now that no unislamic laws will be ratified. If occasionally some of the laws approved by the Majlis are rejected by the Guardian Council, this does not mean that our representatives have intended to ratify some contradictory laws. But it might have been that not enough attention was given to all dimensions. The brother members of the cabinet, with regard to their belief in Islam and Islamic principles, intend to implement all Islamic orders precisely. But in practice they sometimes meet difficulties and are unable to do anything. In this case, some of the representatives might think that the government acts sluggishly in implementing the laws. Certainly, members of our government have different views but clearly they are all sympathetic toward Islam and the nation. We hope that with complete and increased coordination and sincerity between the Majlis and the government, the problems of our society will be solved.

#### Economic Independence

[Question] What are the standards for the nation's economic independence in your view and what policies must be adopted to achieve these standards?

[Answer] The Standards for our country's economic independence are the same as our Islamic standards. In the Islamic Republic of Iran, Islamic precepts must be precisely executed.

As for the economy, Islamic economic measures must be taken to enable us to prepare the way for the most genuine and healthy Islamic economy in a world where economic policies in practice have been divided between capitalism and socialism. In this regard, our constitution provides for all of our economic policies. It is the duty of the Islamic Consultative Assembly and Council of Guardians to propose the proper course of our domestic and foreign economic relations, the limits of private and state ownership, basic banking issues, free trade and real estate to enable our people to

start their work with assurance and to set the extent of their economic limits. Therefore, the first step to economic independence is legislation and implementation of independent Islamic laws. Then the main factor is to speed up a healthy economy. The imam has repeatedly referred to this subject and has mentioned that it is better to stand on our own feet and eat our own bread and cheese than to live in beautiful parks and have the latest cars, and to have to lean on others for these conveniences. Self-reliance means to make ourselves believe we are able to do anything and able to manage our economy, politics and industry in the best manner and not need anyone.

We may be unable to make computers or to invent an ideal, fast and strong machine, but we realize that we would rather be a manufacturer than an assembler, even if we have to start from nothing. Definitely, with such attitudes, we have been able to operate the Sarcheshmeh copper mine, the biggest industrial project. To solve the difficulties of the iron foundry and meet our industrial needs, we are providing the necessary minerals from mines and even improving the quality. Our dear brothers in the air force have built or repaired equipment that in the view of the experts is unprecedented. Previously, this work was not possible without costly foreign interference. In principle, this situation exists everywhere and our inventors and initiators, with all of the shortages of tools and facilities, have acted promptly and reduced the shortages of tools and facilities, have acted promptly and reduced the shortages. We do not have enough time here to cover all these important industrial operations. You can see the examples of these great movements in exhibitions, industries and other industrial centers. Definitely, these successes are due to self-reliance and divine talents.

#### Agriculture

In my opinion, agriculture is also a part of economic independence. Our government and responsible authorities must prepare the necessary groundwork for the establishment of a healthy and self-reliant agriculture in the country. Thank God, the country has all of the natural and potential possibilities and manpower. Definitely, with attention to the increased population, we might have to use more efforts in industrial self-sufficiency, especially in agro-industrial production. Otherwise, if our goal is only to increase agriculture and livestock and we ignore the question of tractors, combines and irrigation facilities. we have in reality hurt the backbone of our agriculture. The colonizers could easily cut off the delivery of spare parts, tools, seeds and pesticide equipment and paralyze our agriculture. Do we expect to have a dependent, modernized and mechanized agriculture through any means? Or do we prefer to be self-sufficient and content with old agricultural tools like plows? Definitely, we will achieve better results if we are not dependent. Before the preachers of the gates to the great civilization and this and that industry and agriculture, our agriculture and livestock products were much better. Because we had faith in ourselves, and we were self-reliant. I think the press and mass media can be very effective in focusing the farmers' attention on their own talents.

## Reopening of Universities

[Question] In regard to the reopening of the universities in the future, what are your suggestions for achieving the educational revolution?

[Answer] Our universities, schools, high schools and higher education and specialized centers and all our scientific centers cannot be separate and move against the demands of the people. The people have made it their duty to struggle for the perpetuation of the true teachings of Islam and of our revolutionary gains, and they wish and are determined to train their children in such a way that they continue their cultural ideals and goals. Our scientific and training centers, especially the universities, must be safe scientific centers for protecting the national trust. In the previous regime, although the universities and a role in the campaign against the regime and there were some people who were feeling the necessity of the revolution, undoubtedly if action was taken against the people and revolution, especially in altering the issues and explanations about the tyranny and treachery of the regime and of foreign oppressors, they would have not remained in the university. At present the educational revolution headquarters, university Jihad (Islamic guidance) and those responsible for university affairs, know very well that a group of deprived and barefoot people in the leadership of the beloved imam have become martyrs. They shouted and fought and made the revolution for the victory of Islam and its principles. The very same people pushed the Iraqis from Iran's land and closed the American Embassy, which was really a spy and corruption nest. These people expelled the East and the West and their lackey's from our beloved country, Iran. What for? Only for Islam, not only because they are Iranian but because their fundamental Islamic teaching is more important than their country. These are the people who, God forbid, if someone insults the great prophet, the pure imams (descendants of Ali) or religious sanctities, these results are very weighty and serious to them, comparable to insults of Rasht, Tabriz and Yazd. Those who are responsible for the university have a responsibility to these people and God forbid, they must not let someone enroll in these universities who tomorrow will push our country toward East or West.

Our students today are the future builders of tomorrow's Iran and Islam. Therefore, efforts must be taken in selecting university professors. We must select those who are not dependent on East or West. They must lean on Islam and be self-reliant. They must believe that they themselves, the people of Iran and the Islamic culture can save this country. They must accept that only breaking away from foreign culture, Eastern and Western, will provide true independence. Under the guidance of religious teaching and jurisprudence, we can achieve our economic, cultural, military and political independence. University professors must believe that the Islamic youth, in their thoughts and aptitude, are ahead of others and that their intelligence in some issues is more progressive than others. They must be permitted to engage in scientific criticism and to express initiative and creativity.

## The Basis for Selection

Selection of the students must not be based merely on school grades. First, their commitments and beliefs must be studied and then their grades, studies and preparations should be considered. Otherwise, if it is agreed that every student who knows the natural sciences, mathematics or literature better than others could enter the university and we do not consider their thoughts and beliefs such as whether they are CIA, Moussad or KGB agents of careless individuals only after a degree, it is certain that in the future when the country falls into their hands, they will throw the country to America, Russia, China or other laps, or like Taghizadehs and the like become a public disgrace. Therefore, our students, like the professors, must be equipped with genuine standards of Islam and have Islamic character and be prepared to confront East or West and be self-reliant. Also, the selection of students is also a question involving the very same oppressed and barefoot people. The revolution belongs to them and these are the most eligible individuals to profit from the political, social and educational advantages of the revolution. Therefore, their children must have the chance to enroll in the university. We are greatly indebted to them and they know Islam much better than most of the intellectuals. Most important is that if these deprived and tormented individuals enter the university they know the meaning of pain, torture, poverty and frustration, what it is to lack the essentials of life like water, housing, medicine and doctors. Therefore, they try harder to eliminate these deficiencies. As for teaching, courses and textbooks, they must be prepared and compiled in a way that after a student graduates from the university, he is respected, independent, learned and specialized in his field.

We must try to crystalize the dimensions of Islamic culture in the textbooks and open the doors for Islamic cultural research and studies after years of negligence. An attempt should be made for courses and textbooks, instead of becoming monotonous, to become diverse; in particular we must be able to promote the quality of teaching of the old school of learning in the universities, we must take effective steps to revise scientific discussion and analysis. In short, textbooks and courses must guarantee and deliver a culture such that the students of that culture be devout Muslims, learned, familiar with the issues and, like a statesman, well informed on the affairs of the time and the place and possessed by a revolutionary vengence towards the oppressors, especially America and Russia. Also, a graduate must be a complete human, fight cruelty, oppression and oppressors and be humble and at the service of the poor. One might say that some courses such as languages, geography, algebra, trigonometry, physics and chemistry do not have anything to do with this. The human and contemplative sciences mostly contain the culture and creed of societies. In reply, I would say it is true that human and related sciences give more direction and incentives to the above issues and we must invest plenty in them and the imam also relies on them tremendously and has ordered that there be more contact between them and the theological centers. This is not grounds for separating the other sciences from Islamic culture and for the students of these departments to be strangers to religious and ideological vision and issues.

On the contrary, among the scientific teachings and along with any branch, we must have the fundamental Islamic teachings as well. In short, we do not want to have universities in which, when their students and professors wake up, say "Glory to Master Washington, our thanks to you" or "Glory Master Moscow," but all of them say thanks and glory to mighty God.

#### Imposed War

[Question] How do you evaluate the last days in the life of the Iraqi Zionist regime?

[Answer] There is no doubt that the Ba'thist Zionist regime of Iraq is on the verge of collapse and complete annihilation, and according to the beloved imam's words, Saddam and his regime are dead, and no matter who tries to revive them, it is useless.

There are two questions in this regard. One is the reality of this matter, that this regime is shattered and does not have the strength for a dangerous operation, and this is indeed not a secret and does not need explanation. Second, regardless of the decay and disintegration of the Ba'thist regime of Iraq, how are its future and political views to be evaluated? What is our duty in the face of these matters? In my opinion, along with our military operations, we must pursue a sound and calculated educational plan in Iraq. One of the differences between Iran and Iraq is that the leadership of this revolution has actually and openly worked on people over 15. All the necessary background exists among the people. But none of this is true in Iraq. When the imam was in Iraq, it was impossible to talk about this subject with the people of Iraq and it was not proper either. The present and past structure of Iraq consists of various thoughts, individuals and different tastes and needs tremendous work in order to create the necessary coordination among the people so that, as soon as the Ba'thist leadership is abolished, the people can be freed from fanaticism and allegiance to groups to choose Islam for their predestination and to stand firm before the leftist and rightist parties, which are relatively organized and powerful and are waiting for the right opportunity. They must prepare the groundwork to prevent civil war, since many events are expected to happen there. Definitely, all the responsibility falls on the people of Iraq themselves. We have no intention of occupying or taking sovereignty in Iraq. But as a fraternal nation, with the same fellow feelings, we say to Iraq that God has prepared the groundwork for you, be organized and rise. We do not have any choice but to oust Saddam. Saddam and the Ba'thist regime of Iraq has caused us tremendous losses and suffering. For 2 years they have confronted Islam and our revolution with all their might. It is our religious and nationalistic duty to remove this thorn from the eye of Islam and our revolution. If we ignore this, we have betrayed you and ourselves. You must think of yourselves and be organized to take the initiative in your own hands in case, with the help of God, Saddam falls, so that the opportunist and flatterers of East and West, the communist parties and the related groups do not overrule you. We will help you to oust the rule of blasphemy and atheism and you must think of a healthy and right successor to rule Iraq, otherwise, if tomorrow there is a civil war and fratricide in

Iraq, we are not responsible, since we had not other alternatives. Thank God, there are forces in Iraq who could succeed, and if they ask for our help we will help them on the basis of our experience and possibilities. Truly, if the people of Iraq think of their prestige and Islamic dignity and break their silence, our revolution and nation and our experiences could be very useful to them. Our leaders, our constitution, our Islamic Consultative Assembly, our president, our government, people, army, corps, draftees and our other forces could all be a pattern and model for them to establish the basis of a divine and fundamental government without any trouble, anxiety or apprehension.

Thus we, along with more military operations, must rely on the cultural and political upheaval of the people of Iraq, and thank God, at present we have more potential forces at our disposal. The Iraqi exiles could be the arm of our cultural activities and the planners of the future of Iraq.

#### Terrorism's Goals

[Question] In your opinion, what are the goals of terrorism in Iran? What are the roles of their agents inside and the outside the country in the implementation of these plots? And what are the ways to confront these insensible activities?

[Answer] Following the victory of our Islamic revolution, the leftist and rightist counterrevolutionaries, in their materialistic and blind analysis, concluded that this revolution would last a maximum of 4 months. Therefore, to expedite this analysis, they began sabotage activities from the very first day to weaken the revolution. The provisional government, due to its weak will and liberal policies, was not a problem for them since it did not believe in the people's idea of the imam and the imam's views. They didn't believe in challenging America. Repeatedly, they talked to me about not speaking about America like that and had the idea that they had to get along with America and should proceed in this step by step. They were underestimating the people and the tremendous energy of the liberating revolution, which was able to move the gigantic wheels of the rejection of colonialism and depotism. They tried to halt, control and suppress the efforts of the people by telling them that they had become involved in chaos and unnecessary emotions. Therefore, most of the counterrevolutionary efforts were focused mainly at discrediting some of the members of the revolutionary council, with considerable danger for them. In the first stage, the counterrevolutionaries thought that the system and government was one thing and that the imam was something else. They thought that if they took control of the system or defeated it, the imam, regardless of keeping his position, would become secluded and silent.

Based on these ideas, they did not think about placing bombs and now they regret those thoughts and wish they could have gotten rid of us in those days. Terrorism and those who are in agreement with it today, realized that there were unbreakable ties between the government, the leadership and the people and that their separation in 1 or 2 months was impossible. Their empty and fiery slogans were met coolly by the students who followed the

imam's views in occupying the spy nest, and they started to aggravate the differences between the leaders of the Islamic regime. With astonishing tricks and by taking advantage of the tense atmosphere, they built up Bani-Sadr in the society, since they had faith in Bani-Sadr and he had opened a ray of hope for them. He believed that the imam must stay home and close his door and not interfere in the economy and politics. Bani-Sadr was following and protecting the theory of negative equilibrium of his leader Mossadegh. He was saying that we must not be under the dominance of America, but we must replace America with Europe. Gradually, Bani-Sadr realized that the implementation of these plans was meeting problems, considering his direct policymaking with the imam and resistance to personalities like the late martyr Beheshti and his cofighters. Therefore, in order to expell them, he resorted to creating an atmosphere of terror and a thousand other poisonous maneuvers and was stuck again. He and his aides concluded that they must arrange preliminary preparations for individual terror, eradication and bombings, using their influence and obtaining arms. Once Bani-Sadr was defeated in their eyes, they found the time suitable for a military blow. Definitely, if the people were not present at the scene and, as in other events, they were not entering the arena to defend the revolution, it would have been a suitable time for them to harm us. Contrary to the opinion of those who imagined that the hypocrites made a mistake in choosing that time for a military challenge, I believe it was the best opportunity from their point of view because they were underestimating the potential of the imam and assumed that a person like Bani-Sadr would survive without the imam since the people had voted for him. They never imagined that the people's support for Bani-Sadr was due to the political support of the imam for the presidency. The day that they felt that the imam was not with Bani-Sadr any more, that would be the day of resurrection and regret for Bani-Sadr and he would have to give up and flee.

On this basis, when the Majlis and our devout representatives voted Bani-Sadr as being incapable, and the imam confirmed their vote, they dismissed him. Bani-Sadr's associates asked for the help of their imaginary 11 million supporters and their forces and found the time right to convey to the people that Bani-Sadr remained their president and was elected by their votes and that the premiership was with them too. They were puzzled over what decision should be made about the imam and his aides. They choose military operations as the best method for struggle. From the other side, they colluded with America, Russia, European countries and reactionary countries of the region. They knew that these criminals were upset with the revolution and that at the slightest signal they would come to their assistance. In regard to the war, they were of the opinion that by coming to power, this question would automatically be solved, since they held no enmity toward East or West and with a signal from America to mad Saddam, its protege, the war would cease.

From their point of view, this war was the best opportunity for armed struggle. But if we examine the reality of this question closely, we realize that these miserable people committed the very same mistake of America,



Russia, the European countries, the Shah and the Pahlavi regime. That is, they did not recognize us. They imagined that if they proceeded, organized demonstrations, the imam would go along and say, "Let us wait and see." In fact, they were unaware that at any moment that the imam feels that individuals or events have created the slightest threat to Islam, with the same sword that hit Mohammad Reza's head, he will hit their heads too; they were not aware of this decisiveness.

On the other hand, they imagined that the imam was sick and was not going to live more than a few days. Bani-Sadr, with extreme audacity, repeatedly told me, the son of the imam, that the imam was not going to live more than 2 or 3 months. What audacity, to let yourself to make such a false and inappropriate judgment. This was a big mistake. The very same affairs caused their disgraceful defeat. The foundation of the Islamic republic became so strong that today it is the strongest government, and the Islamic countries in the region rely more on the cultural and political conversion of Iraq, so that if Saddam falls the Eastern and Western opportunists and flatters will not dominate them. But the hypocrites did not anticipate this.

#### Anarchistic Activities

Therefore, they have become engaged in anarchistic activities and outbursts. All of our opponents, savakies, monarchists, kumleh and democrats, joined them with the same view that the Islamic system rested on the shoulders of a few people and if they were killed its glorious flame would die. They were thinking that if Beheshti, Khamenei, Hashemi, Rajai, Bahonar and others go, the system will be undermined. Nevertheless, in the first stage of the revolution, the system and its guidance was the imam's responsibility. But now I believe that the spiritual guidance and enlightenment of the imam has created an ever-increasing insight for the people and has motivated them not to abandon this understanding easily. To administer the war and the victories are proof of these questions. Because if the people were not present on the battlefield, we would not be victorious. With the participation of the people, we are nearing the end of the war. No one demands concessions anymore or nullification of agreement of 1975. Today, only our enemies are expressing their willingness to accept the agreement and return to the boundaries. But it is our demand that Saddam be tried and that our losses be secured in victory. Terrorism follows the same goals. Previously, they intended to rule, and they still have the same goal. But when they realized that the people are present at the scene and there is no hope for them to rule, they started assassinating the ordinary people and the important personalities, to no avail. They undertook different positions and adopted various methods.

They demonstrated, but they realized that the situation was becoming worse. The people seized them and punished them. They used every means and trick, all sorts of sadistic and lunatic actions like defamation, torture, arson, explosions, robbery, kidnapping, suicide and tens of other brutal, useless and blind actions, and it was all to their disadvantage. Under present conditions, terrorism in Iran is definitely defeated. All their childish

activities were designed to cure their chronic ailments, their excruciating pains and their bleak and vagrant sympathies. Definitely our people, forged in these events, will become more decisive and experienced. The best example of their determination is their presence at the scenes of the bombings, their assistance and their slogans of "death to hypocrites," "death to America" and "death to Russia." Interestingly, one of the foreign voices, in its analysis of the explosion at Tupkhaneh Square, stated that the explosion had been the work of the government itself, since following every event, the government sends a group with pictures and slogans to the scene to show that it has supporters. Well, you can imagine that such analyses, along with those blind actions, prove nothing but their political and military bankruptcy. Do the people witnessing these childish actions leave the scene, lose their composure, stop assisting the victims or stop fighting in the battlefields? We know that another aim of the terrorists, after inflicting blows on the people at the scene, is to place the people of Iran under tremendous pressure so that they surrender to America and obey, because if we obey, we will have no more problems, no explosions will occur and the opportunists and comfort-seekers will have no chance to write here and there that we are sitting in bulletproof cars. There is no one to tell these gentlemen that first, when you were in charge and there was no sign of terror, you yourself were using bulletproof cars. Second, if you are so skeptical about the use of bulletproof cars, then come among the people without fear. If you follow all your policies step by step, just once, in your home under your comforter, in your unsigned night letters, mention the holy words "death to the hypocrites, death to America" and dare not to use bulletproof cars and see the result. If nothing happens you might say that we are different from you. Only mention these two sentences: "death to America" and "death to the anti-people hypocrites" and then walk in the streets. But in practice you are saying, "long live America," and we are saying, "death to America." It is evident that if we ride in bulletproof cars or a heavily armed vehicle, it is because they will strike us. Then the problems are with you yourselves, since we are not opposing people; we shout "death to America" along with people from the southern part of Tehran, barefoot people, all in one voice and that is why if they have access to us they will strike us. They will strike the grocer, the dairy-product seller, the revolutionary guard, the peddler and Hezboallahi, and they say in their analysis that these are the heads of the regime and the people are the body of the regime and we must get rid of them both. But they do not touch you, as if Ovaissi, Bakhtiar, Madani and Gharehbaghi walk in the streets of America and France, and even if they walked in front of the very eyes of those anti-imperialists, united fighters, heroes and protectors of the people like Bani-Sadr and Rajavi, no one would touch them. And it is not surprising that in the imaginary government of these excellencies, these people might not be assigned an important position. Well, what does this tell you? Are you a danger to America or to its people and responsible authorities? What is your interpretation of the fact that the hypocrites will execute both the grocer who has the picture of the imam and the authorities who follow the imam's views? Would you say that all the nation's responsible authorities are grocers, dairy-product sellers, peddlers, soldiers, revolutionary guards and several million other people? That is

justifiable. In that case, why don't you pack your sack cloth as fast as you can and join your comrades in Paris and Hyde Park? Your place is not here and your way is only in the best service to America.

There are the overall aims of the counterrevolutionaries and terrorism. They either want to rule themselves or, if that is not possible, then at least Islam must not rule either and America should take the reins of government. But God will protect our religion and our revolution against our enemy. With the assassination of Ayattollah Madani in Tabriz, Ayattollah Dastgheib in Shiraz, Ayatollah Sadeghi in Yazd and Ayatollah Ashrafi in Bakhtaran, their names and their cause will not be buried with them. With the martyrdom of these pious men, Islam and the revolution will flower again. The blood of these beloved will be an eternal spring to quench the thirsty hearts of the truth seekers, who will never deviate from the path. This nagging and sarcasm will not hide the defeat, vagrancy and isolation of its masters.

9815

CSO: 4640/46

# JUDICIARY, EXECUTIVE RECEIVE GUIDANCE FROM KHOMEYNI

Tehran TEHRAN TIMES in English 18 Dec 82 pp 1, 3

[Text]

TEHRAN — Imam Khomeini, the leader of the Islamic revolution of Iran and the founder of the Islamic Republic sent out an open message addressed to the judicial and executive officialdom of the country. The complete text of this important message is as follows:

"In the Name of Allah, the Compassionate, the Merciful.

"Following previous statements emphasizing the Islamization of all the organs of the government, especially the judiciary, and enforcement of the laws of Allah in the Islamic Republic of Iran, it is necessary to bring the following points to the notice of the officials. It is hoped, Inshallah, that immediate attention shall be paid to these directives:

1. Preparation, approval and communication of laws in conformity with the Sharivah should be done with utmost attention and speed and the laws of the judiciary that have to do most with the people should be given top priority so that the delays in the legislative process may not interfere with the rights of the people. Similarly, communication and enforcement of such laws should be given top priority.

2. The capacity of the courts, judges and prosecutors should be investigated with care and speed so that the current of affairs becomes totally Islamic and the rights of the people do not suffer. Similarly, investigation into the capacity of all other officials should proceed with utmost impartiality

and without negligence and without petty fault finding, as are sometimes reported, on the part of extremists, so that as corrupt persons are set aside, useful persons are not purged for frivolous reasons. For doing this, the basis should be the present status of the persons notwithstanding their shortcomings by reason of association with the past regime, until and unless there is conclusive evidence showing present corruption and sabotage.

3. The qualified judges, in the judiciary and the revolutionary courts should pass their judgements with independence and power, without showing any consideration for any official whatsoever, according to Islamic laws and continue their important work throughout the country without negligence and delays. All the personnel executing the court's summons and decrees should obey their orders, so that the people without qualms may have confidence in the judicial process and the perty are safe.

Islamic justice is not just related to the judiciary but has seriously to do with all the other organs of the Islamic Republic, the Majlis, the government officials, the military forces, and security forces, the IRGC, the Committees, the Volunteer forces and all the other related personnel. Nobody has the right to behave with the public in an unIslamic manner.

4. Nobody has any right to summon or detain or arrest anyone without the orders of judge given in accordance with Islamic laws, however short the period of detention. Detention and unauthorized arrest is a punishable crime.

5. Nobody has any right whatsoever to expropriate the movable or immovable property of anyone, or detain or confiscate it without the decree of the court taken after due and detailed consideration of the applicability of laws of the Shariah.

6. Nobody has the right to enter the house, shop or place of work of any person without the permission of its master or owner, or to arrest anyone, or to pursue or follow or eavesdrop on anyone, for the discovery of crime, or to behave insolently and inhumanly towards anyone in an unIslamic fashion, or to eavesdrop on anyone's telephone, or use taperecorders for the discovery of crime or the place of crime, or to appoint anyone to spy on others, or to be inquisitive about the secrets of other people for the discovery of a crime, however

## **Imam...**

big. Nobody has any right to be inquisitive about the secrets of others or to divulge secrets acquired from a third party for even a single man. All such acts are sins and a crime, and will be reckoned equal to propagation of corruption is one of the gravest of crimes and the culprits of the above crimes deserving of legal reproof and in certain cases punishable.

7. That which has been prohibited is distinct from instances relating to the plots or anti-Islamic groups opposed to the system of the Islamic Republic, who gather in team-houses for drawing subversive plans for overthrow of the Islamic Republic and assassination of combatant personalities and innocent persons in streets and lanes, and hatch plots of sabotage. They are 'corruptors of the earth and have taken up arms against Allah and His Messenger'. They should be dealt with severely and with greatest caution wherever they are be it in governmental offices, judicial bodies, universities and institutes and in other places. But this should be in accordance with the laws of the shariah and under the orders of courts and prosecutors; because aggression against the limits of shariah is not warranted even in their case and any negligence is absolutely unjustified.

Officials should not act beyond the scope of their duty and the limits of the shariah should be observed in dealing with such elements. It is strongly emphasised that if by mistake they enter any house for the sake of discovery of team-houses and the centers of espionage and corruption and sabotage against the system of the Islamic Republic, and find in the house of any person alcoholic drinks and auxiliaries of corrupt practices such as drug addiction and objects of pornography, they have no right to reveal that to others; because propagation of corruption is the greatest and gravest of crimes and no one has the right to compromise the honour of a Moslem or to trespass the limits of the shariah. He should only confine himself to his duty of bidding to good actions and forbidding from the illegitimate actions as ordained by Islam, and has no right to arrest, detain or beat or use defamatory language against the master of the house.

Aggression against the limits of God is oppression and deserves punishment and sometimes needs to be avenged. However, those whose profession is to gather drugs and distribute them among people fall under the category of those who propagate corruption on earth and are destroyers of the human race and future progeny, in these cases in addition to confiscation of all such existing material, they should be introduced to the judicial authorities.

Also, no judge has any right to issue a general permission to allowing officers to enter people's houses and work offices, which are neither team-houses nor the centers of subversion against the Islamic Republic. Whoever issues such permission or warrants is liable to legal prosecution.

8. Hojjatoleslam Moosavi Ardabeli, the Chief of the Supreme Court and the Prime Minister are responsible for violation of the above and for acting decisively and swiftly with respect to such violations of the above-mentioned matters.

It is necessary that committees including reliable persons should be appointed at provincial, city and sector levels and the public be notified to submit their grievances about the mistreatment and misbehaviour of offending officials and transgressions against their rights and properties. These committees should submit their reports to these gentlemen who in turn should convey these for investigation to the responsible authorities and for the punishment of those who have aggressed in accordance with the laws of the shariah.

We should all know that after the establishment of the authority of Islam and stabilization of the Islamic Republic with the blessings of Allah, the Supreme, and the favours of the Last Messenger and Hazrat Baqyarullah, and the exemplary support of the committed nation for this system, it is unacceptable that anyone may be transgressed against in the name of the revolution and being a revolutionary and that actions may be perpetrated which are against Divine laws and the noble morals of Islam by individuals who are ignorant of the desirable aims.

The nation should henceforth have a sense of peace and tranquillity for this is a period of stability and construction, so that they may carry on

their endeavours without any qualms about their security and consider Islam and the Islamic government to be their supporter and the judiciary to be in their service in enforcement of Islamic laws and procurement of justice, and consider the army, the security and law and order forces, the IRGC and the Committees to be a source of security and comfort for themselves and the country.

This responsibility rests on the shoulders of all and is one which involves God's good pleasure and felicity in this world and the Next and whose violation is the cause of Divine rage and chastisement in this world and the Hereafter.

"I implore God to protect us from mistakes and to confirm this Islamic Republic and to join it to the universal government of Qayem-e-Aal-e-Mohammad - may God's peace and benedictions be upon him and his family. Indeed He is the Near One and is the Acceptor of supplications. May His peace be upon Him who follows the Path of Guidance.

CSO: 4600/166



MUSAVI: IRAN CAPABLE OF LAUNCHING BORDER-LONG ATTACK ON IRAQ

Tehran TEHRAN TIMES in English 8 Dec 82 p 1

[Text]

TEHRAN (IRNA) - Prime Minister Mir Hussein Musavi said yesterday morning that Iran was able to launch a border-long attack against Iraq and will do it any time it wished.

Musavi, who was speaking after the cabinet session, said the latest western propaganda alleging Iran's preparing a new plan for peace is probably for pressing Iran into weakening its determination for subduing the Iraqi aggressor regime, and that propaganda had no effect on the Iranian nation.

On the missions, Musavi said they were welcomed to come to Iran, provided they carried new suggestions which helped Iran realise its terms. He added that the missions which offered nothing new could not help provoke peace in the region.

Commenting on the recent reports of foreign journalists concerning the internal situation of Iraq, which illustrated the plight of the Iraqi people under rule of Saddam, Musavi said Iraq committed another mistake by admitting these foreign reporters.

The journalists have reported that secret police in Najaf (a holy town where Imam Ali (A.S.) lies) actually kept people away from speak-

ing to reporters.

Musavi added that the Iraqi regime was after some propaganda victory by which it could seduce the Iraqi nation, and portray itself as a strong regime.

When asked about Iran's stands in the upcoming OPEC session, the prime minister said Iran had always defended the rights of the deprived people in dealing with either the oil exporters or consumers. He said the OPEC atmosphere and countries such as Libya and Algeria, all helped progressive countries in OPEC. The prime minister added Iran will follow its independent policies there based on 'neither East, nor West.'

Musavi, referring to the upcoming elections for the Assembly of Experts said the Iranian nation had always disappointed the enemies of Islam by its actions and that the recent propaganda moves of the superpowers all aimed at decreasing the importance of those elections.

Musavi concluded by saying that the Commerce Minister Habibollah Asgar-Owladi Musalman had presented a report on his trip to Pakistan and the cabinet is considering expanding the bilateral relations with Pakistan.

FORMATION OF 'IRAQI ISLAMIC REVOLUTIONARY COUNCIL' ELABORATED

Tehran ETTELA'AT in Persian 18 Nov 82 p 3

[Interview with Mohammad Baqer Hakim; 17 Nov 82; place not specified]

[Text] Yesterday Hojjat ol-Eslam Mohammad Baqer Hakim announced the formation of the Iraqi Islamic Revolutionary Supreme Assembly to a group of domestic and foreign correspondents. Afterwards he answered the questions of correspondents concerning the purpose of forming the assembly, the latest domestic Iraqi developments in this connection, and other topics. Details of yesterday's interview is published below. Hojjat ol-Eslam Mohammad Baqer Hakim, spokesman of the Iraqi Islamic Revolutionary Supreme Assembly made an introductory statement:

In the name of God, the Merciful, the Compassionate. "God permits mighty victory to those who fight against their oppressors". Brothers, lo we are under oppression. God on High has promised us victory, and God never forgets his promises. We are under oppression, and at the height of this tyranny we see the bright light, the light of the pure blood of Ayatollah Martyr Seyyed Mohaddad Baqer Sadr, that great human being whom Saddam martyred. That great human being was martyred along with his learned, virtuous sister. These two sinless persons were martyred without a trial. We are under oppression because we have given up 5,000 martyrs in the path of the Islamic revolution. We are under oppression. We are oppressed because we have hundreds of thousands of prisoners and detainees in Iraq's prisons. Prisoners subjected to the most violent forms of torture in Iraq's prisons. We are oppressed because we have more than 100,000 refugees driven out of their land under the worst conditions, in the roughest way. We are people under oppression because more than 100,000 persons have been killed in criminal Saddam's aggressive war against the Islamic Republic of Iran. A war carried out without purpose, a war which never benefitted the Iraqi people. We are oppressed because we have tens of thousands of prisoners and tens of thousands of cripples. We are oppressed because the number of our widows and orphans increase daily. We are oppressed, and God has promised to make us victorious. God has promised us victory in this war against the Idol ruling in Baghdad and world imperialism. God never breaks his promise. To eliminate our oppression and tyranny, we find no other path other than to battle against the Idol ruling in Baghdad and choose the path of martyrdom.

Our brothers are determined to continue their jihad until the overthrow of Idol and the establishment of a just Islamic government. A government which will solve all the problems and insufficiencies of Iraq's people. A government which will eliminate discord and disagreement. A government which will create unity between all brothers, whether Shiite or Sunni, whether Arab or Persian, and which will struggle against all the types of backwardness which colonialism and imperialism foisted on our country. We will travel this road until we reach its end, until we establish a just Islamic government. In this struggle it was imperative that the ranks of all Muslims be united to create one process that would move forward in one direction. To this end this blessed Assembly was formed. The goal of forming this Assembly is basically to lead the struggle of Iraq's Muslim people which will continue until the Idol's overthrow and the establishment of an Islamic government. The purpose of forming this Assembly is to bring together all the children of Iraq's Muslim nation in one closed rank in light of Islam's ethical method, Islamic brotherhood and Islamic justice which God established for mankind. We are going to struggle under the banner of this Assembly. I am appearing here today as the official spokesman of the Assembly whose members chose me. I am here to answer your questions about the declaration of the Assembly's formation and other matters. I hope I will be able to explain some of these points.

#### Correspondents' Questions

Domestic and foreign correspondents then raised questions addressed to the Assembly's spokesman, as follows:

KEYHAN-E 'ARABI: What are the policies and goals of the Iraqi Islamic Revolutionary Supreme Assembly?

[Answer] The policy and goals are stated in the declaration issued on the occasion of the Assembly's formation.

A Japanese newspaper correspondent: If Iraqi prisoners want to fight on the fronts against the Iraqi government, is this acceptable to you?

[Answer] Yes, we will agree to this, and encourage them.

JAPAN NEWS AGENCY: Please give us further details concerning the execution of four Iraqi ministers.

[Answer] Details of the execution of the four Iraqi ministers came to us via the world's mass media. The point I want to explain here is that the Iraqi regime wants to tell everyone that if one rises against the regime at any level one will suffer the same fate as these four Iraqi ministers. This really shows the nature of this regime.

[Question] Although the mercenary Iraqi regime occasionally expels a group of Iraqi Muslims, please tell us whether or not these persons are connected with the society of struggling Iraqi clergy and the Islamic Revolution Office.

[Answer] The Iraqi regime is moving against the interests of the deprived and oppressed because it is these deprived and oppressed that can compose the

principal base of the revolution. The Iraqi regime knows that these deprived and oppressed make up the core of the opposition. Therefore it expels them.

#### Announcement of Readiness to Oversee Elections

Arab Television: Iraq's Idol, Saddam, has announced his readiness to hold general elections in Iraq. The prime minister of the Islamic republic announced that these elections will be genuine if the struggling Iraqi clergy supervise them.

[Answer] We accept this proposal, and we will announce details another time. We proclaim that these elections must be true elections, and that true, real conditions must prevail during them.

Arab Television: The mercenary, stooge news agencies recently announced that a demonstration took place after Saddam announced his readiness to hold elections. Is this news true?

[Answer] This demonstration was greatly exaggerated. The Idols and tyrants seek refuge in this kind of trick to deceive the people and the world.

IRNA: To what extent have the recent victories of Iran's Muslims affected the formation of this Assembly?

[Answer] This Assembly was organized some time before. The important point here is that we consider the recent victories of Islam's forces as the victory of truth over futility, a futility led by world imperialism. These victories had great effects on the Islamic revolutions in Iran and Iraq.

IRNA: Does The Assembly have an organized plan for Iraq's future, and if so, to what degree does it use the experience of the Islamic Republic of Iran?

[Answer] This Assembly has numerous specialized committees which are writing the working plans of the Assembly. The Assembly also has an executive committee responsible for implementing these plans. Naturally the Assembly will use the guidance of the nation's imam, His Eminence Imam Khomeyni, and, to a great degree, the experiences of the Iranian Islamic revolution.

FRENCH NEWS AGENCY: Will you form an Islamic republic in Iraq?

[Answer] We are struggling to establish a just, Islamic government. We are struggling to implement Islam's commands among Iraq's Muslim people. We believe that the children of Iraq's Muslim nation will choose a system no other than an Islamic republican one due to their belief in the unrelenting struggle and the great, genuine sacrifices made.

ETTELA'AT: How will the circumstances of ending the imposed war affect the Islamic movements in Iraq? How do you see the future of the war in this connection?

We believe that the war will end simultaneously with the end of the criminal regime governing Baghdad. The fall and overthrow of the Iraqi Idol means the sovereignty of the nation's will. The nation will also choose an Islamic system.

ASH-SHAHID MAGAZINE: Does the Assembly have a plan for the transformations and changes it wants to implement in Iraq based on its own predictions? If so, what is the plan?

[Answer] We believe that we must resist and struggle against the regime ruling Baghdad by every means possible. One of these means is martyrdom, which we have chosen. The form of Iraq's future system and its leadership must be decided by the children of Iraq's Muslim nation. We have previously said that Iraq's Muslim people will naturally choose an Islamic system.

SYRIAN NEWS AGENCY: What are the forces and who are the people forming the Assembly?

[Answer] To respond, the statement issued on the occasion of the Assembly's formation has already been pointed out. Persons and forces active on the scene that are naturally termed Islamic persons and forces have active membership in the Assembly.

JAPAN RADIO-TELEVISION: In light of Your Reverence's presence in the Islamic Republic of Iran, can The Assembly be interpreted as a government in exile?

[Answer] I again point to the item discussed in the Assembly's founding declaration and in the introductory statement I made at the beginning of the press conference. It is that the Assembly holds responsibility for leading the struggle of Iraq's people toward overthrowing the Idol and establishing an Islamic government. Our presence in the Islamic republic is the base of true freedom for the deprived and oppressed. This is due to the great leadership of the nation's imam who is the hope of the deprived and oppressed in the Islamic republic and of the Islamic revolution.

[Question] After the victory of the Islamic revolution in Iraq, will a constitution be composed by this supreme assembly or will this be done by a national council of experts?

[Answer] I have already answered this question in answering other questions raised in this session, and it is also answered in the Assembly's founding declaration. In general, we will refer to the votes of Iraq's Muslim nation in these kinds of cases.

TARIQ OL-QODS, newspaper of Iraqi prisoners in the Islamic republic: Recently many groups of Iraqi prisoners have proclaimed their readiness to take part in a jihad against the infidel Ba'thist Iraqi regime. Does the Assembly have a plan to utilize the Islamic forces of Iraqi prisoners?

[Answer] From our viewpoint, it is essential for all the children of the Iraqi Muslim nation to struggle against the regime ruling Baghdad. The Iraqi prisoners

are one part of the Iraqi Muslim nation's people. We have plans and methods for their struggle against the regime ruling Baghdad, but they are not enough because this matter is related to the Islamic Republic of Iran and their plans. This is because they are in any case prisoners of the Islamic republic.

AL-JEHAD newspaper: The founding declaration of the Assembly pointed out that it will make a great endeavor to mobilize the Islamic forces against the Ba'thist regime governing Iraq. What practical steps will the Assembly take in this area?

[Answer] Some of these practical steps will be unveiled in the near future.

A Japanese newspaper: Please give more details about The Assembly.

[Answer] What can I add to what was stated in the founding declaration of the Assembly? There is also the fact that the names of Assembly members will not be revealed. This assembly is composed of several special committees, all of which will be concerned with issues of the Islamic revolution. There is also an executive committee to implement the assembly's decisions through natural channels.

ETTELA'AT: The declaration states that it is everyone's responsibility to forestall the imperialist plots to replace the suspect, stooge forces with new ones. Could you explain something about these puppets and replacement plots?

[Answer] Past experience has shown that whenever imperialism sees one of its mercenary regimes about to fall and be overthrown, it replaces it with another regime which has a different face but is still pulling on imperialism's harness. The Iraqi regime is at the end of the road to doom. In this regard imperialism has considered and has made serious efforts to replace this regime with another one having a different face but still being imperialism's supporter and mercenary. The children of Iraq's Muslim people must be on guard against this plot so that all the sacrifices made and pure blood shed in the path of the Islamic revolution does not go to waste and so the revolution reaches its goals.

[Question] What solutions does the Assembly propound for the Kurdish question?

[Answer] The solutions we propose are in the declaration you have a copy of. In summary, we say that Islam and Islam's ethical practice can solve this problem.

SHAHED Magazine, a publication of the Martyrs Foundation: In your opinion, do the Muslim groups in the imam's line in Iraq have the ability and readiness necessary to attain sovereignty in that country after the fall of the Ba'th Party and Saddam?

[Answer] Our duty is to struggle to realize our goals. We have a duty to struggle to overthrow the Idol and set up an Islamic government. In my opinion, the Islamic forces have shown through their sacrifices and devotion that they can, God willing, attain an Islamic government in Iraq.

SHAHED Magazine: What is your analysis of the freeing of 180 prisoners affiliated with Iraq's Communist Party? And in your opinion what effect has this action had on relations between Moscow and the regime ruling Baghdad?

[Answer] We believe that all the imperialist countries have fastened their covetous eyes on our region. In our opinion, this recent action of the criminal regime in Baghdad resembles the efforts of the executed shah made at the end of his life. This is a sign of the end of Saddam's regime's authority.

[Question] Iraq possesses various ethnic and religious groups. Are there representatives from these ethnic and religious groups in the Assembly?

[Answer] The Assembly has opened its arms to all existing forces regardless of creed or race. It cooperates with all these forces regardless of their ethnic or religious characteristics.

ENQELAB-E ESLAMI magazine: What position will the Assembly take after the victory of Iraq's Islamic revolution towards the mercenary, stooge Saudi regime which is giving great propaganda, material and military assistance to the aggressor Ba'thist regime?

[Answer] We make decisions in our movements on the basis of the interests of the deprived and oppressed. Naturally the deprived and oppressed of this nation will never forget their friends, just as they will never forget their enemies. They will not forget their friends in the hour of need.

ITALIAN NEWS AGENCY: Please tell us what sources pay the expenses of the Assembly.

[Answer] Iraq's Muslim people, who have shed much blood, will never hold back their material assistance to their Islamic revolution for its advance. Furthermore this assembly is connected with all the righteous forces that support and defend the interests of the world's deprived and oppressed, particularly the Islamic revolution of Iran led by the people's imam, the great Khomeyni.

KEYHAN-E 'ARABI: Right now the Iraqi army is at war with the army of the Islamic Republic of Iran. After the victory of the Islamic revolution, how will you treat the Iraqi army?

[Answer] The battle and struggle that is now going on is not with Iraq's Muslim people, rather it is with Saddam's regime. Iraq's Muslim people are living under strict, harsh conditions, and if persons are sent to the fronts of the war imposed on the Islamic republic, it is because this regime has imposed harsh conditions on Iraq's Muslim people and on these soldiers. We can easily comprehend this from the position of the Iraqi prisoners in Iran. We see that when the wall of intimidation and terror that the Iraqi regime put around them is lifted, they proclaim their readiness to go to the fronts of the war against Iraq's regime.

FRENCH NEWS AGENCY: Iraqi Mojahedin have said that they attacked a factory with a rocket several days ago. What ethnic group were they from?

[Answer] Just as you yourself said, they were Iraqi.

ETTELA'AT: What will your conduct be in light of the various ranks of the Ba'th Party? What suggestions do you have for them?

[Answer] We spoke previously about the severe, harsh conditions under which Iraq's Muslim people are living, and we suffice with that. We should be aware that our hearts and arms will be open to persons who comprehend the truth and turn towards it, unless they have shed someone's blood.

[Question] We have heard that an Iraqi government composed of revolutionaries in Iran has been formed. Can you give us any information about this.

[Answer] I have not heard such a thing.

9597

CSO: 4640/52



IRAN

IRGC TO GIVE MILITARY SUPPORT TO IRAQ REVOLT ASSEMBLY

Tehran KEYHAN in Persian 27 Nov 82 p 3

[Speech by IRGC commander Mohsen Resa'i]

[Text] Qom--KEYHAN correspondent: Brother Mohsen Resa'i, commander of the revolutionary guards of the Islamic revolution, answered questions at a press conference yesterday afternoon in Qom concerning recent internal changes in the revolutionary guards, conditions at the fronts, and decisions which have been made concerning aid from the Islamic Republic of Iran to Iraqi Muslim revolutionaries.

Our correspondent reports that the commander of the revolutionary guards said the following concerning the continued operation of the revolutionary guards liberation movements unit:

According to decisions which have been made recently at a meeting attended by Ayatollah al-'Ozma Montazeri, a council composed of revolutionary guard representatives and representatives from the Foreign Ministry, supervised and attended by a representative of Ayatollah al-'Ozma Montazeri, will draw up a plan for the administration of this unit and pursue matters pertaining to liberation movements.

With regard to revolutionary guard accomplishments in the procurement of the provisions needed to form Iraqi volunteer forces who are prepared to fight the Saddam regime, he said:

Our nation and our government announced its readiness some time ago to support the oppressed Muslim people of Iraq in the installment of a just Islamic government with popular backing. Presently, with the formation of the Supreme Assembly of the Islamic Revolution of Iraq and this assembly's request for aid from the Islamic Republic of Iran, the procurement of provisions and the military and training needs of the supporters of the Islamic revolution of Iraq has become the responsibility of the revolutionary guards. The revolutionary guards, with cooperation from the government and some other organizations, has placed this important matter on its work agenda.

In the same connection, Brother Mohsen Resa'i announced: The revolutionary guards are ready to place their various resources, which were procured previously for this purpose, at the disposal of the Supreme Assembly of the Islamic Revolution of Iraq as soon as it announces its readiness to fight the self-serving Ba'thist regime based on the enlistment of Muslim volunteers.

The commander of the Islamic revolutionary guards, concerning the extensive recent propaganda about demonstrations by Iranian forces in Lebanon, completely denied the claims that have been made and said:

These demonstrations were staged by the people of Lebanon for the purpose of protesting the holding of an independence celebration in this country. Iranian forces were not involved in this matter in any way. He also stressed:

Our concern is Israel, and we must employ whatever forces we have against Israel and America. The Islamic Republic of Iran has no intention whatsoever of interfering in the domestic affairs of the Muslim countries of the region.

In another portion of this interview, Brother Mohsen Resa'i discussed the on-going assaults by the brave warriors of Islam on the country's Southern and Western fronts. While referring to the heavy losses which have been inflicted on the shattered Iraqi army in the course of recent operations, he announced that, contrary to Saddam's claims to having retaken territory controlled by Iranian combatants, the brave soldiers of the army of Islam are firmly established in their positions with complete superiority, and every day they repulse the continual attacks by Saddam's cowards one after the other.

He also expressed the hope that, with the completion of the necessary preparations for the advancement of the powerful Islamic army towards the positions of Saddam's infidels, efforts to attain the rights of the oppressed nations of Iran and Iraq would continue.

The commander of the revolutionary guards, noting the anniversary of the establishment of the Mobilization and the start of Mobilization Week, referred to the valuable and successful experiences which have accompanied the formation of the people's forces in this organization as well as the epic heroism of the members of this revolutionary organization on the field of battle against the infidels and in the defense of sacred Islamic territory. He also noted:

Mobilization day belongs to all the people and illustrates their extensive participation in the Islamic revolution. Therefore, the presence of the nation of partisans of God in the holding of the most splendid observances that are possible this week is another solid punch in the mouths of the arrogant devils and their dependent allies such as Saddam. At the conclusion of this interview Brother Resa'i referred to the joint plans which have been carried out in a coordinated manner across the country by the brothers of the revolutionary guards and the revolutionary committees for the purpose of bringing about domestic security. He expressed the hope that with the new measures that have been taken in this area and the active participation of the people in the field a fatal blow would be dealt to the dependent mini-groups in order to crush the domestic counterrevolutionaries, and that sufficient security and peace would be established in all parts of the country as well.

# ARDABILI OFFERS ASSISTANCE TO 'MOSLEM REVOLUTIONARIES IN CAIRO'

Tehran TEHRAN TIMES in English 12 Dec 82 p 2

[Text]

TEHRAN (IRNA) - The temporary Friday prayers leader of Tehran, Ayatollah Musavi Ardebili, lashed out at the reactionary governments of the Persian Gulf and ridiculed them as flunkies of the United States who insist on bringing their feudal lord closer to themselves.

The Ayatollah who was explicitly referring to Saddam Hussein of Iraq, King Hussein of Jordan, Prince Fahd of Saudi Arabia, and King Hassan of Morocco, ridiculed them for their ideas and for disregarding the lessons that the Islamic Revolution had taught the unpopular governments of the region.

Said the Ayatollah, "let them (Washington) remain as far from you as they can...the farther a feudal lord lives from his bondsmen, the better his vassals can breathe..."

Ayatollah Musavi who was talking to thousands of Tehranis at the compounds of Tehran University minutes before the Friday mid-day prayers also criticized Cairo for trying in vain to prevent a surging Islamic Revolution in that country by arresting and putting on trial a group of 300 revolutionaries or by torturing to death other rebellious Moslems in that country. Experts:

"Upon the outbreak of the war, we were starting from scratch, but today we have reached a comendable stage.

"In contrast Saddam Hussein started out the war when he was resourceful, yet, despite that, he is in a miserable state today.

"Now who is taking the lead in the battlefields today? The Islamic Republic or Saddam Hussein? Who is it that decides whether to continue the war or make peace. Saddam Hussein or us? (To the world media and foreign heads of state) If he is in a position to determine the fate of the war, then why does he not do so? But if it is the Islamic Republic which actually has the capability of doing so, then do confess to the reality and let the world know that it is Iran which has the lead in the on-going war.

"We have vowed to continue to battle for as long as we desire.

"We have the capability of doing so, and our combatants have proved it. But despite all the aids which Saddam Hussein has been receiving from the various foreign powers, he is in a wretched condition. Saddam's dreams have been disturbed by the formation of Iraq's Supreme Revolutionary Coun-

cil. And the Iraqi revolutionaries are gaining impetus.

"We are looking forward to seeing the establishment of an Islamic Republic in Iraq. At that time a coffin has to be made wherein to carry the corpse of the United States, and have Saddam carry the coffin upon his shoulder..."

"Once there is an Islamic Republic here and there in the Persian Gulf, it will mean the end of the interests of the oppressive powers in this part of the world..."

"They (regional oppressive powers) are for the presence of the United States in the region."

"Sultan Qabus, and King Fahd wish to bring the United States into the region and thereby intimidate us. They fail to understand that a nation wherein its people perform mass prayers in such multitudinous gatherings and brave the freezing weather and perform their prayers even on ice-covered pavements, is no place for the Americans to come to."

"This inauspicious person (sarcastic reference to Egyptian President 'Mubarak-Arabia for 'auspicious') has confined 300 people in prisons and has issued indictments against them on charges of possessing copies of the Holy Quran, or shouting 'Allah-o-Akbar' (God is the greatest), and demanding the establishment of an Islamic government in that country."

"These arrested people have given the same answers as did our youth (during the past regime)."

"They imagine they can establish their domination by arresting some 300 people or by torturing others to death..."

"The Arab governments are finding themselves deaf and dumb and suffocated in the face of this beastly conduct (of Cairo) just because their masters will not allow them to open their mouths. But we declare here that we are ready to go to Cairo and act as attorneys for the Moslem revolutionaries, and defend them even in that notorious tribunal..."

## ESSENTIAL FUNCTIONS OF ASSEMBLY OF EXPERTS EXPLAINED

Tehran KAYHAN INTERNATIONAL in English 9 Dec 82 p 2

[Editorial]

[Text]

**We are on the threshold of elections for the Assembly of Experts. Friday will be a political and ideological challenge for all. It is a day on which the success of the succeeding stages of the life of the revolution depends. These elections are fundamentally different from the elections for the Islamic Consultative Assembly or for the presidency because the latter elections, aimed to solve the essential, and occasionally subsidiary problems of the revolution, but did not address the most essential question of leadership. The Assembly of Experts is charged with the appointment and stabilization of the most essential axis of the revolution, namely leadership. The reason why we say the most essential axis is that we regard leadership of the revolution as the most important decision and policy making power.**

**The leader of the revolution directs, gives guidelines, decisively stops deviations; in short, the success of any politico-social problem depends on his instructions, measures and confirmations. This position assumes paramount importances in the Islamic Revolution of Iran, because the leadership of the Islamic Revolution is exclusive to velayat faghih; valiye faghih is the person under whose guidance the Islamic society is directed. Ideological, political, social and economic views of valiye faghih constitute the main guarantee for the movement of the society. It is abundantly clear that valiye faghih, too, adheres to Islam, but the difference lies in the fact that he takes precedence over others as far as adherence to Islam is concerned. Hence, in order to understand Islam better, the general public follow their leader. Therefore, it is neither exaggeration, nor cult of personality, to state that the Assembly of Experts, and the outcome accrued from it, forms the most essential axis of the revolution; it is merely the explicit statement of an ideological question, namely "The prophet is closer to the believers than they are to themselves." Since we regard velayat faghih as the continuation of the line of the prophets, and imams and as its valuable product during the occultation period of the 12th Imam, so we should naturally attach paramount importance to its outstanding role and powers.**

Those who consider the success of human societies to be due to conditions and to occurrence of changes in the living, production and social styles and who deny the essential impact of thoughts and propensities of outstanding personalities in the course of history do not enjoy full awareness. Perhaps some of these people obstinately seek to impart absolute originality to their own materialistic ideas. Here it is appropriate to recount a story so that the followers of the above idea can be exposed better.

In a meeting with Mohammad Taghi Ja'fari, an outstanding Soviet scholar who came to Iran to evaluate the philosophy of the Islamic Revolution asked him to describe the essence of philosophy of the Islamic Revolution. Scholar Ja'fari explained in detail the philosophical and scientific bases of the revolution. Presumably the question of velayat faghih appeared rather ambiguous for the Soviet scholar, so he asked Ja'fari to elaborate on the reason for the emergence of this cult of personality and its wide powers. Mr. Ja'fari put an end to all ambiguities, and perhaps baseless fears, of the Soviet scholar by means of a few concise sentences, thus: those societies who have seen Lenin and Mao in their lifetime, should not speak about a phenomenon called velayat faghih! How repulsive it is when one observes the cult of personality, in the true sense of the word, in such societies; and more repulsive is the negation of cult of personality in theoretical ideas of adherents of materialism, but full and blind acceptance of it is in practice.

The above account is given to remind our readers of the pivotal role of leadership in the Islamic society. Of course, no one says that other factors, such as social factors that played a part in the manner of readiness of people to accept a system based on ideological principles, should be declared null and void.

In this connection the Qur'an says explicitly: "... Surely Allah does not change the condition of a people until they change their own condition...." But sometimes, perhaps often, the most essential popular will of human societies, is epitomized in a leader. For example, if we assess the Islamic Revolution of Iran minus the leadership of Imam Khomeini, and rely on other factors, what will be obtained except failure and deviation? If the Islamic revolution is analyzed, from the period of its genesis until the moment of its victory when even all political currents had reached a deadlock and when all had unanimously decided on the reign of the Shah and democratic rule, and then from the moment of victory until today, during which none of the healthy and unhealthy currents could take up a decisive approach vis-a-vis circles likes Banisadr, Rajavi and the National Front, and if the pivotal and the most essential role of Imam Khomeini in these episodes is ignored, then what will remain at the end of this appraisal, to which we could apply the word "result"?

In view of the foregoing, our society cannot be reorganized without a leader, and that a Islamic leader based on velayat faghih. According to the Imam's message of two days ago: "If the government along with all its affairs and the organs it has at

its desposal, is not legitimized by the holy religion and God Almighty, then most of the affairs related with legislative, judiciary and executive powers will be without religious authorization, and the hands of the organs, which should be active, will be tied down. If they perform work without divine legitimacy then the government, with all its affairs, will be taghooti and fabidden."

Hence, the importance of the role of velayat faghih is clarified more than before, and the importance of the elections of Assembly of Experts, as the jurisprudence channel for confirmation of leadership is recognized. Most important of all the active participation of all strata of public in the elections as a vital problem of the society, becomes apparent. Some perhaps say that with Imam and the shadow of his leadership, the elections of the Assembly of Experts lose their priority. These people are not aware of the point that the system of the Islamic Republic of Iran demands consolidation of its basic foundations and its most essential laws. We say Now That the Islamic society enjoys the leadership of the Imam, the need for an Assembly of Experts is lessened to a lower degree. We even say now that the Islamic society enjoys a personality like Ayatollah Montazeri, the task of the Assembly of Experts to achieve its legal aim will be greatly facilitated. Despite all these, the question of consolidation of the Islamic Republic system is something else which is of special importance, even though the functions of some organs, such as the Assembly of Experts are reduced to a lower degree, the society is ready for the election of a leader.

CSO: 4600/152

MINISTER OUTLINES DUTIES OF REVOLUTION GUARDS CORPS

Tehran SOBH-E AZADEGAN in Persian 13 Nov 82 p 2

[Interview with Brother Mohsen Rafiqdust, minister of IRGC]

[Text] In his first press conference since being chosen minister of the Islamic Revolution Guards Corps, Brother Mohsen Rafiqdust explained the goals and duties of his ministry. According to the report received, Brother Mohsen Rafiqdust began the Saturday morning conference by speaking to reporters about the duties of the Ministry of IRGC, and said: The guards ministry has three main duties: Coordinating functions of the legislature and the guards, coordinating functions of the executive and the guards and better preparing the Party of God 'umma, which will act within the framework of the guards and the mobilization of the oppressed.

The guards minister, asked by a correspondent about the role of the guards in the Command Council, said: According to the guards' constitution, it has two areas of command, a general command and a ministerial command area. The overall command supervises all operational issues in a general way and all nonlogistical matters. Like other members of the council, the guards minister has only vote, with the difference that the council cannot convene unless the minister or his deputy are present.

He emphasized that the guards organization would be administered as in the past, and that the guards ministry is a supporting organization at the side of and supervising the guards.

Brother Mohsen Rafiqdust, asked if guards ministry employees would only be chosen from among the guards, answered: According to the law that was approved, it was agreed that the guards minister, with the assistance of the Employment Affairs Organization, would clarify this matter. In any case, it is obvious that we will not be restricted to one of the two conditions in choosing personnel.

Asked if he had chosen his deputies, the minister of the guards said: Individuals are being considered in this regard. However, note that I was only given this responsibility 48 hours ago. Therefore, I will introduce deputies after further study.



Asked if a person would continue to act on the Supreme [Defense] Council as the official in charge of the Guards Supply Unit, he said: According to the council's constitution, the Guards General Command will choose a person for this unit. He will be responsible for some supply matters, including maintenance, distribution and some other matters outside the ministry's jurisdiction.

He added: All guards purchases will take place under the supervision of the guards ministry.

Concerning the ministry's role in the war and in manning the fronts, the guards minister said: Of course, just as the war is our nation's principal concern, so it will be in the guards ministry. The main goal in the guards ministry is self-sufficiency in the country's defense. God willing, we will achieve this goal so that no country will even dream of attacking the Islamic homeland.

\ Asked if the nation's imam would have a representative in the guards ministry, Brother Rafiqdust said: That is the ideal. In any case, the imam's representative in the guards can supervise guards ministry affairs.

9597

CSO: 4640/49

IRAN

IDEOLOGICAL CHIEF DISCUSSES PROGRAM IN ARMY, GUARDS CORPS

Tehran SOBH-E AZADEGAN in Persian 16 Nov 82 p 11

[Speech by Hojjat ol-Eslam Rabbaninezhad, chief of the Office of Ideological Policy]

[Text] Ahvaz--In an interview with IRNA, Hojjat ol-Eslam 'Ali Rabbani-nezhad, chief of the Ideological Policy Section at the Moqaddem Nezaja Quarters in the south, announced: During the imposed war, the brother guards have been armed with the best military weapons, and the army brothers have been equipped with all forms of spirituality and belief. Hand in hand, they have revealed the harmony and unity of the word. Concerning existing coordination between the army and the guards, he said: There was a time when the guards had only one armored battalion. Today, however, they are equipped with several independent armored and infantry divisions. This tells us that the guards can easily utilize the complicated equipment used by the world's armies and that they can easily put to combat use the equipment they took as plunder from Saddam's army during the imposed war. The chief of the Moqaddem Nezaja Quarters Ideological Policy Section added: From another angle, our zealous army realized during the war that complex weaponry alone cannot be effective and that weapons must be used in the light of spirituality, faith in God and Islam.

Hojjat ol-Eslam Rabbaninezhad noted: Today, although the army and the guards have separate names, they are in reality one. Militarism in the light of spirituality is quite tangible in the army and guards Corps. He added: When the hypocrites and hidden elements were shouting the slogan "The army must be dissolved," the imam ordered: "Purification yes, dissolution never." In light of the imam's guidance, we have come to possess great harmony between the army and the guards. He added: The Moharram, Fath ol-Mobin, Tariq ol-Qods, Ramadan and Moslem Ben-'Aqil operations proved the real power of Islam to the world. Actually, it made them understand that the Islamic republic is not only able to defend its own territory but that it can attain any goal. He added: In the Moharram operations, we liberated a portion of the enemy's land in addition to liberating the zones under Saddam's occupation. This has considerable importance from the spiritual point of view throughout the world because it makes the powers supplying weapons and resources to Saddam understand that they cannot resist the martyr-nourishing nation of Iran.

Regarding the presence of the clergy on the battlefronts, he said: During various operations, particularly the Moharram operation, the active presence of the clerical brothers affected the morale of the combatants. We saw with our own eyes that the clergy, in addition to their presence on the front lines, played a major role in evacuating the injured and martyred, while administering the religious and propaganda affairs of the combatants.

He expressed his appreciation to the Qom Propaganda Office, the Islamic Propaganda Organization and the Esfahan, Mashhad and West Azarbaijan Theological Schools for dispatching committed clergy to the battlefronts. Hojjat ol-Eslam 'Ali Rabbaninezhad said in conclusion: Islam's combatants are determined to continue the struggle as long as Saddam holds a weapon, until they take the last weapon out of the enemy's hands. Our fighters have taken the political weapon from Saddam, and they will soon take the military weapon from him as well. They will make him understand that the power of Blood on the Sword is victorious.

9597

CSO: 4640/49

IRAN

TOOLS TO BE DISTRIBUTED BY SERVICES ORGANIZATION

Tehran SOBH-E AZADEGAN in Persian 15 Nov 82 p 2

[Interview with Habibollah Shafiq, managing director of Organization To Expand Commercial Services]

[Text] Yesterday morning, Habibollah Shafiq, managing director of the Organization To Expand Commercial Services, took part in a press and radio-television interview and spoke about the distribution of various kinds of iron and their delivery to customers. In one part of his speech he said: Distribution of ironware at government prices begins 22 November 1982, and customers can obtain the iron they need from the nearest iron-seller.

Shafiq said at the beginning: Iron consumption in our country falls into two categories--construction and industrial.

Industrial consumption in the past took place via the Expansion Company through orders issued by the Ministry of Industries or the industrial sector, thus placing iron at the disposal of contractors or industrial officials. As for building construction, two cooperatives, the Tehran Iron-Sellers Cooperative and the Islamic Iron-Sellers Cooperative, turned iron over to users if they had permits for a building up to 300 meters square. Unfortunately, great difficulties arose for metal consumers due to the fact that these two cooperatives were not in agreement with each other.

He added: After I took over responsibility for the commercial services company, the minister of commerce ordered that the issue of iron distribution be studied. With this study, I concluded that the existence of two cooperatives was a big problem in itself and that iron distribution for construction use should be handled through one channel. Following these conclusions, we asked the Trades Affairs Committee to register one cooperative through which we could distribute iron. This cooperative, called the Central Ironware Supply and Distribution Cooperative, was registered 3 November 1982. Through discussions with the cooperative's officials, it was resolved that ironware in general would be distributed by the cooperative to all company members and that iron-sellers named by the Trades Committee would sell iron to applicants at their place of business at the

government-determined price plus an extra 1.5 rial per kilogram to cover the cost of transportation. Thus, customers can obtain the iron they need from the nearest iron-seller. Furthermore, the iron-seller is responsible for supervising the iron's use, the central cooperative oversees the industrial units' use and the expansion company is responsible to the state and the nation.

Continuing his speech, Shafiq stated: If there are industrial units that have not yet become cooperative members, they can gain membership through the union, subject to qualifications, since iron distribution begins 22 November 1982.

Types of ironware that will be offered on 22 November 1982 are as follows: Drainpipe, Nos 6.5 to 22; oiled sheet, Nos .4 to .2; white sheet Nos .5 to 2.5; all sizes of hoop-iron; black pipe, Nos 1.5 to 6; white pipe, Nos 1.5 to 5; corner irons, Nos 2 to 8; shielding, Nos 2.5 to 6; wall sheet, long sheet, Nos 3 to 20; and various kinds of exterior sheeting.

No permit whatsoever is required for larger sizes, but their use will be supervised.

Concerning I-beam distribution, the managing director of the expansion company said: I-beams, an ironware item, will be offered to consumers by industrial units at government prices in accordance with past procedure, with the same building permits necessary. We are presently studying what quantity of I-beams our society needs. If existing resources and domestic production are sufficient to meet demand, we will answer demand as quickly as possible. We are even trying to supply those whose turns do not come for another year within 4 months at the most. If we can shorten delivery time to 1 day by providing joists [small I-beams] and construction block instead, then we will do it. Thus, persons requesting I-beams, joists and blocks will be able to meet their needs in the shortest time possible.

He stated in conclusion: City-region shares will be given out by the city-region or province's Bureau of Commerce. Supervision of distribution will be the responsibility of the governor-generals and governors. If the present plan is successful in Tehran, it will also be implemented in the city-regions.

9597

CSO: 4640/49

SELF-SUFFICIENCY IN ALUMINUM FORESEEN IN FIVE YEARS

Tehran KEYHAN in Persian 28 Nov 82 p 13

[Interview with Engr Shahrnaz Hamzeh'ianpur, managing director of Arak Aluminum Plant]

[Text] An immense project for expanding the Arak Aluminum plant with an initial investment of seven billion rials and a capacity of 120,000 tons will be completed within 3 years. On the basis of plans which have been made by the Ministry of Mining and Metals, the country will be self-sufficient with regard to aluminum production within 5 years.

This information was announced by Shahrnaz Hamzeh'ianpur, managing director of the Arak Aluminum plant, in an interview with the ISLAMIC REPUBLIC NEWS AGENCY. Engineer Hamzeh'ianpur said:

So far more than 50 percent of the credit for the expansion plan, amounting to 400 million tumans, has been spent. God willing, with round-the-clock efforts by believing and committed specialists, within the next 2 months, as the vertical pouring machine "Built 8--Eybach Producer" goes into operation, the capability of all parts of one of the great plant sections, including the smelting station, will be increased from 100,000 tons to 120,000 tons.

He added: At the present time the aluminum production capacity of this plant is 37,000 tons. On 16 February 1983 the official production capacity will reach 45,000 tons. God willing, with work completion according to planning timetables, in the next 3 years, when all the sections included in the immense expansion plan are in operation, the production capacity of this plant will reach 120,000 tons.

While noting that the completion of plans to expand the Arak aluminum plant will provide jobs for 1,200 people, from simple workers to specialists, Engineer Hamzeh'ianpur discussed the purpose for making plans to expand this plant and said: In 1976-1977 American experts, using the current system of the Reynolds plant, which is one of the oldest technologies and systems in the world and is 100 percent dependent on America, started a plan for the expansion of this plant in order to keep us under their control as much as possible. He added: Accordingly, in the implementation of the government's policy of removing dependence to the greatest extent possible, the plant tech-

nology research group began extensive studies some time ago aimed at reaching self-sufficiency, so that in the current year, after a review of the world's important aluminum plants, basic and fundamental changes in the entire system of this expansion plan were put into effect.

He added: On the basis of these changes, in addition to striking increases in production and alleviation of air pollution in the factory environment, energy consumption has been cut down from 18 to 14 kilowatts. Thus, while significant savings will be made in the country's energy consumption, seven million tumans will also be added to this factory's annual profits.

Referring to the 20-year aluminum industry plan which has been drawn up by the Ministry of Mines and Metals, the managing director of the Arak Aluminum Plant then said:

According to studies made for this industry's 20-year plan, the country's aluminum needs will amount to about 120,000 tons in the first 5 years and in 20 years they will amount to 267,000 tons.

He added: On the basis of the Ministry of Mines and Metals' 20-year plan, this plant will henceforth advance along with the country's needs, and God willing, after 5 years, when 100 percent of this plant's raw materials are being procured domestically, self-sufficiency will be achieved with respect to aluminum production.

9310

CSO: 4640/65

POLITICIANS ADVISED NOT TO REGARD PEOPLE AS STUPID

Peshawar MASHRIQ in Urdu 17 Sep 82 p 3

[Column by Ali Rizui: "It Is Height of Folly To Think of People as Stupid"]

[Text] Nowadays many politicians have been reminding the government at every opportunity that the people cannot be fooled much longer, that 5 years undoubtedly is a long period of time and when government remains in power for such a length of time, the patience of the people reaches its limit and they refuse to be fooled any longer. The MRD [Movement for the Restoration of Democracy], along with leaders of other parties, has been trying to convince the government of this situation. These politicians, the best part of whose lives has been spent dealing with affairs of state, are doubtless well-seasoned and experienced in their own fields. They claim to have their fingers on the pulse of the people and, with a little manipulation of these fingers, they can tell to what extent the people can be fooled. They also say that they can tell how much more they can be fooled and for this purpose what slogans would prove to be effective. As such, no sooner does a politician feel the pulse of the people than he is startled and, immediately withdrawing his fingers from the pulse, declares in loud and clear tones that the people cannot be fooled any more and that their patience is now about to reach its limit.

The people of Pakistan are bewildered as to why everyone talks about their being stupid or about fooling them and what patience it is that the politicians are talking about that according to them is about to reach its limit. People have been watching these politicians since the beginning of the freedom movement. They have seen these faces for so long that the mere sight of some of them is enough to stupify them. But it must be said that they are patient; they have been putting up with it for the last 35 years.

As for the people being stupid or being fooled, we believe that it is the height of foolishness to think of people as stupid. Had they really been stupid, Pakistan would not have been established. Yet it is true that shrewd politicians in every period have tried to make fools out of them, and at times they felt that they succeeded in their effort. But what has really happened is that the people committed the blunder of trusting their deceitful slogans. Now they don't believe anything the politicians say.



Today we met a person who had just read a politician's remark that people can no longer be fooled. In deep breaths, he asked us to publish in the newspaper his behalf that truly no one can fool the people any more. He said that the politicians in particular can never fool us at all because they are stupid themselves. Surprised, we asked this man how he came to the conclusion that the politicians are stupid. He immediately replied that the politicians have been advising 80 million of us to unite for the last 5 years, but, in spite of being so few, they have not succeeded in uniting themselves. Who, he said, will pay any heed to advice about unity coming from such people? This reply further strengthened our conviction that the people are anything but stupid.

The politicians' remarks that if any government remains in power for 5 years then people start losing patience also deserves attention. These remarks reflect their inner feelings. None of these politicians ever wants to see any of his opponents come into power. Second, if someone remains in power for 5 years, they start feeling pangs of antagonism inside their belly. Such feelings are not surprising because these politicians spend years anxiously waiting for an opportunity to come to power. Among them are some who have been fortunate enough to have come into power or to share authority. But this thirst for wretched power is such that instead of diminishing, it is ever on the rise. Then there are some who have never had the good fortune to be elected to power but have been given windfall ministerial posts, and when these seats acquired by hook or crook are taken away from them, the yearning inside them for acquiring power increases more than ever. For such politicians, politics consists merely of a game of snatching government posts and any restrictions placed on such games takes a heavy toll on their nerves. No wonder they now accuse the people and keep on repeating that the people are losing their patience. The plight of such power-thirsty and sad people is indeed pitiable.

9315

CSO: 4656/8

## PAKISTAN

### REASONS FOR POSTPONEMENT OF ROUNDTABLE CONFERENCE ANALYZED

Lahore NAWA-I-WAGT in Urdu 12 Nov 82 p 3

[Editorial: "Roundtable Conference--Postponement Is Not Unexpected!"]

[Text] With regard to the planning of and invitation to a roundtable conference of political leaders, a decision has been made on behalf of the especially enthusiastic Jamiat-e Ulam-e Pakistan to postpone this conference. The fundamental reasons for this decision are said to be the restrictions imposed on the entry and stay in Karachi and in Sind Province of certain individuals invited to the conference. In the announcement on the postponement of the conference, it is also revealed that "consultations among the leaders and friends of Majiat are continuing, so that the political parties, in unity and agreement, will be able to struggle for the practical enforcement of the Islamic system and the supremacy of democracy and the constitution."

The proposal for this conference was made about 2 to 2½ years ago to restore democracy and prepare for early elections. The original proposal was that distinguished political leaders and the president and his honorable colleagues should sit together and after analyzing what should be done and how it should be done," through mutual understanding and agreement try to outline a system acceptable to all. After some time, however, there was pressure to call a conference of only those leaders of political parties who had secured some representation in the National Assembly during the December 1970 elections. But then, this standard also was not maintained, and there were talks about inviting even nominal parties joining the so-called MRD. In other words, with the elapse of time, for the purpose of uniting political parties to restore democracy and the constitution, the idea of sending conference invitations to big and small, well-known and nominal, all parties regardless of any distinction, began to gain importance. The success this conference would have achieved in the presence of such ill-matched and odd participants requires no further clarification.

We have great respect for the individuals issuing invitations to the roundtable conference. Besides being experienced politicians, they also are significant religious personalities. Therefore, it would not be at all correct to say that they are not serious about calling the conference. But

as the stage of holding the conference neared, there was still an impression that for some reason, along with a clear-cut goal acceptable to the participants of the conference, the preparations required for this sort of conference were not complete and that the realities and situations ahead had not been kept in view. It seemed that besides putting pressure on the government on the one hand, "scoring points" against certain political circles was being given importance, and on the other hand, there was a demand that those encourage and the elements be encouraged and heartened who had no faith at all in democracy just as they had none in the basic ideology of this country, Islam. Their aim was to promote confrontation with the government and spread sectorial, regional and linguistic discrimination and prejudice instead of national oneness and unity. In the announcement of the postponement of the conference, mention is made of united agreement to practically enforce the Islamic system in the country. Therefore, it does not seem improper to say that if, right from the start, with advice and consultation, this very thing had been made the foundation of united action, by now enough work would have been accomplished to achieve the objective of the roundtable conference.

As for the holding of this conference, the importance given to the so-called MRD, especially the People's Party [PPP] fully overshadowing it, seemed strange and unacceptable to the majority of those who in 1977 had participated and also offered extreme sacrifices in a very strong and vital campaign to establish the Islamic governmental system. Furthermore, during those days, the mean conflicts in the MRD, the manner in which the internal differences of the democratic Tehrik-e Istiqlal came to public view and the way in which the sickness of divisions in certain other parties was portrayed--these were not a good omen for any united and consolidated campaign. The remaining decline came with the disagreements between the Jamiat and the Jamaat [-e Islami] and their continuous abuse and ridicule of each other.

Under these circumstances, the postponement (because of compelling reasons) of the roundtable conference in fact has become a means of unveiling one's own frailties. This would worsen the situation further instead of improving it. Whatever is formulated through the advice and consultation among the leaders and friends of Jamiat will also come to the forefront at the appropriate time. But another requisite for facing reality is that for the joint action to be called a roundtable conference, along with the restoration of democracy and the constitution, equal importance must also be given to the practical enforcement of the Islamic system, so that no shadow of differences and suspicion falls on the basic objective of efforts toward unity. On the other hand, the government officials too should act with realism and wisdom. They should not be happy and satisfied that the postponement of the roundtable conference called against their wishes was in fact synonymous with failure; rather, they should seriously analyze how the gap that became the cause of calling off the round table conference can be filled satisfactorially and as quickly as possible since as long as this gap exists, good and bad efforts to fill it will also continue. The focus of the government officials should be not to let these efforts become vile or negative. They should be worthwhile, positive and constructive, so that national life does not appear to reflect stupor or disunity but appears to follow the correct path toward the right destination.

9779

CSO: 4656/35

FALLING STANDARD OF EDUCATION DISCUSSED

Lahore NAWA-I-WAQT in Urdu 4 Nov 82 p 9

[Editorial: "The Falling Standard of Education"]

[Text] Khwaja Safdar, chairman of the [Federal] Advisory Council, addressing a gathering held in Allama Iqbal College, Sialkot, to commemorate the Thinker of Pakistan, stated with a heavy heart that the standard of education in schools and colleges had fallen as a result of nationalization of educational institutions. Khwaja Safdar also said that despite the fact that the Punjab government was spending 50 percent of its budget on education, only 55 percent of students in the province were admitted to schools and 45 percent of the children are deprived of the opportunity of receiving an education altogether. As a solution to this problem, Khwaja Safdar pointed that the government has not placed any restrictions on new educational institutions. The government wants the people to form organizations and associations in order to establish private educational institutions so that this problem may be resolved on a national scale.

Khwaja Safdar has given only one province as an example. The situation in other provinces does not differ from that in the Punjab; if anything, it is far worse. It is unfortunate that none of the governments in Pakistan gave the education problem the importance that this national problem rightly deserved. Schools were established in the past with Urdu and English languages as the mediums of instruction. Schools with English as the medium of instruction were given preference over those with Urdu as their medium of instruction. As a result of this, in the words of Khwaja Safdar, the system of education remains in a state of confusion. Tuition for English medium schools is high, resulting in their becoming schools for the rich only. Students studying in Urdu medium schools were looked down upon with contempt and became victims of an inferiority complex. When private schools started seeking profits and when the teachers in these schools became objects of exploitation, the former government decided to nationalize the schools and colleges. The result was that the financial position of the teaching staff improved but the standard of education started to fall.

The curriculum has not yet reached the standard set up by national demands. We have for a long time now been using imported books in our syllabus, which is the reason for our children's lack of knowledge about our history

and cultural heritage. Now private schools and colleges are being set up once again, but even now their founders lack the spirit of selfless service and are engaged in amassing wealth. If the educational institutions were to be run on "no profit no loss" basis, as suggested by Khwaja Safdar, and if national organizations, like Anjuman Himayat-e Islam, come into existence with the desire to meet national demands rather than seek financial gains, then, God willing, in the near future we will resolve our educational problem.

9315

CSO: 4656/38

PAPER BLAMES SOCIAL DECAY, CORRUPTION ON BUREAUCRATIC ELEMENTS

Lahore CHATAN in Urdu 20 Sep 82 pp 5,6

[Editorial: "Bitter Truth"]

[Text] A campaign has been started against some moral and social evils and misconduct. How is it that the necessity of implementing a process of such fundamental importance occurred to the nation and the society so late? However, that is another matter. But it is a fact that there was speculation about this campaign. It was said that such a campaign should have been started when the Islamic principles were first introduced. It is an irrefutable fact that while every kind of evil and corruption thrived, the atmosphere was such that claims about the introduction of Islamic principles appeared to be in harmony with the prevailing situation. We believe that whenever a virtuous deed is launched it should be welcomed and accorded full cooperation. We therefore welcome this campaign in a spirit of "better late than never." Whatever arrests have been made have brought out into the open the same bitter facts that we have always talked about. In other words, authority, influence, power and wealth are the mainspring of all destructive evil. People who have been caught red-handed while perpetrating evil deeds include officials enjoying power and other people who are influential because of their positions. As has already been indicated in national circles, the underlying causes of evil in our country are illegal wealth, favoritism and misuse of power. The bureaucracy has been engaged in bribery and corruption and the misdeeds of this sector have provided protection for evil and corruption in all of other sectors. This is why elements engaged in offering bribes, smuggling, theft, hooliganism, hoarding, fraud and embezzlement have been thriving for years. The machinery responsible for arresting such elements is itself in dire need of reform. In our country, it has been customary for the group in power to lean on the administration for support and to offer sermons and advice to the people. Abuse of wealth and power has destroyed all the good values and laws. For people having power and means, law has been an instrument of authority, a stick in their hands or an ornamental watch in their pocket, as well as an article of pomp and show to be used at times for rebuking a few large and small businessmen and to give the impression that bribery, corruption and other evils are being dealt with. It is not true that people in power did not know the actual state of affairs; the fact is that most people are involved in evil. People are well aware of the actual truth

about any officer, public servant, businessman or people engaged in other professions. They know the people whose expenses exceed their income are suspicious. It is difficult to understand why the government machinery does not have any information about the prevailing state of affairs. We have constantly emphasized the fact that it is not possible to get good work done by bad elements. Should someone prove the contrary, then in this age of science and technology he has the ability to perform miracles.

Groups involved in corruption and bribery can only be reformed provided the deeds and thoughts of individuals entrusted with this task are beyond reproach. As such, it is essential to see that the members of groups and organizations to be entrusted with the task of reforming the society should be filled with missionary zeal and fervor and carry out their duties with honesty and sincerity. Whatever the underlying reasons, it has not been possible to come up with such a group, with the result that wherever God-fearing people are found, things are somewhat better and where these conditions do not exist the results are obvious.

Now in a couple of places some individuals enjoying the customary authority and influence have been seized. We are aware that all the forces involved in corruption and bribery are moving to free these individuals. If the process of reckoning and the administration of justice continues on a higher level, then there can be hope of an improvement in the prevailing situation. Should it be otherwise, then within a few days the situation will be the same as it was before.

9315

CSO: 4656/8

## PAKISTAN

### USING OTHER COUNTRIES AS CONSTITUTIONAL ROLE MODEL QUESTIONED

Lahore NAWA-I-WAQT in Urdu 4 Nov 82 p 9

[Editorial: "Rely On Our Own Constitution"]

[Text] Published news reports on President General Mohammad Zaiul Haq's visit to Indonesia have mentioned the possibility of benefitting from the political system of that country. According to these reports the Indonesian political system reflects a well balanced mix of both the parliamentary and presidential systems. Its parliament comprises both elected and nominated members. This news does not come as a surprise because there was previous talk about taking advantage of the Turkish Constitution as well. In fact the talk of assigning the armed forces a role in the constitution has made references to the Turkish constitution. Similarly, news reports published about a newly discovered "intellectual, expert and adviser" say that he is assessing the possibility of learning from the administrative system of Sri Lanka, where the parliamentary system has already been changed into the presidential form of government.

As a matter of Principle no one can object to the idea of taking advantage of the experiences of other countries, but the question is whether we have really made any concerted effort to take advantage of whatever resources we have in our possession. We should use our wisdom and understanding, assess our abilities and shortcomings, and we should not give the impression that instead of taking advantage of the light present in our own house, it has become our way of life to be impressed by whatever appears to us as a desired ray of light; and that for all our needs we look to it for support. Failing to honor one's commitments and showing a tendency to imitate others in matters pertaining to individual situations result in loss of self-respect. In matters of national importance, new experiences can never be agreeable or useful. Making this aspiration an everyday habit can no doubt cause much harm, but to expect to achieve positive results from it can only prove to be futile. Just like every individual, countries and nations, also have particular problems of their own. Efforts can be made to resolve these problems only in the light of their background and previous experience and ready-made solutions cannot be imported from abroad.



We already have a constitution which was written and approved by elected representatives from all walks of life throughout the various parts of the country. Even though all the articles in the constitution may not be exemplary, it cannot be denied that it was approved by a unanimous vote. That in itself was considered sufficient to outweigh all its weaknesses and shortcomings. What is important now is that instead of flirting with the political systems of Indonesia, Turkey or Sri Lanka, elections should be held under this constitution and the reins of the country and the nation should be transferred to the elected representatives of the people so that the current period of prolonged adhocism may come to an end and Pakistan may once again be governed in accordance with a well-established system of laws and regulations.

President Ziaul Haq quite frequently talks of positive results while referring to elections. Whenever he is questioned on this subject, his reply invariably is that good and patriotic people and representatives having the zeal to serve people and possessing Islamic fervor should be elected. His desire is excellent and praise-worthy and all patriotic people must think along these same lines. But for this, too, it is not necessary to imitate Indonesia and Turkey or Sri Lanka. On the contrary, conditions should be created which are conducive for people freely to support and elect the kind of people who have the good qualities desired by the president. But his goal cannot be achieved by ever increasing the restrictions. To achieve this goal it is necessary to have a normal positive political process. Indonesia and Turkey or Sri Lanka have their own circumstances and problems and Pakistan has its own political traditions. The people of Pakistan are familiar with their own political system which has been in force for quite sometime. It has made such a strong impression on their minds that despite the obstacles in implementing this system, at times for quite a long period of time, they have not rejected it.

In order to elect people having the good qualities desired by the president in his search for positive results, it is not necessary to change the present political system. The important thing is to educate the people, improve the electoral process and raise the moral standard of the designated candidates. Under the present adhocism, work no doubt seems to be proceeding, but if the situation were assessed objectively, the conditions prevailing in the country, instead of advancing toward the cherished goals and objectives, would be seen to be moving in the opposite direction, and at the same time some new problems could be seen emerging that would increase the difficulties facing the nation still further. Ruling a country has its own pleasures and satisfactions. But, no matter how powerful and popular a person may be, he is not immortal. It is only the institutions that are everlasting. These institutions can only be developed and strengthened under well-established systems rather than under adhocism. The president of Pakistan, despite difficulties, has with the grace of God made goodwill tours of countries abroad. His position inside the country is sufficiently strong, and his political opponents, whether taken separately or together, are no match for him. President Ziaul Haq alone, is in a position to return the country to the right track.

9315

CSO: 4656/38

PAKISTAN

NWFP INSPECTOR GENERAL OF POLICE DISCUSSES LAW AND ORDER

Rawalpindi HURMAT in Urdu 18 Nov 82 pp 24, 27

[Interview with Mr Yusaf Orakzai, the NWFP Inspector General of Police, by M. I. Lashkar of HURMAT's Peshawar Bureau: "Not only are the Soviet Ammunitions Coming From the Frontier Province, But Bara and Markets in Tribal Regions Are a Big Source of Acquiring Ammunitions; Al-Zulfiqar Organization Is Overstating Its Successes"; date and place not specified]

[Text] [Introduction: Mr Mohammad Yusaf Khan Orakzai has been appointed the inspector general of police for the Frontier Province for the second time. When he was the inspector general of Police in the Frontier Province prior to this in the middle of the past decade the political situation of the province was extremely dangerous. During a campaign against the previous government there were incidents of confrontation between the citizens and the police in the entire country, but the Frontier Province police, under the leadership of Mr Orakzai, displayed restraint and control, and there were comparatively very few incidents of terrorism in that province. Now that Mr Orakzai has again been appointed the inspector general of police for the the NWFP [Northwest Frontier Province], the situation there is not normal. More than 2 million Afghan refugees are present in the Frontier Province, which includes the Communist elements too. Also the terrorists of the Al-Zulfiqar organization coming from Kabul cross the frontier to enter the province. Despite the fact that the current situation Afghanistan has affected this province the most, there have been very few incidents of subversion in the frontier. One of the main reasons for this is the efficiency of its police. Being the leader of the Frontier Province police, Mr Yusaf Orakzai is also taking important steps to make the police more active and efficient. Recently, M.I. Lashkar of HURMAT's Peshawar Bureau talked for an hour with Mr Orakzai about law and order in the Frontier

Province, smuggling of foreign ammunitions and incidents of subversion. This discussion is being presented in the form of an interview.]

[Question] So far, there have been numerous incidents of subversion in the country with Soviet weapons being used. The common impression is that foreign ammunition reaches the criminals of the other provinces of the country through the Frontier Province. To what degree is that correct? Could you please clarify this?

[Answer] This is a complicated question. We will have to acquaint ourselves with the background in order to understand the true situation. It is incorrect that all Soviet ammunition reaches other parts of the country through the Frontier Province. Undoubtedly, the Bara and markets of the tribal regions are a big source of obtaining ammunition. The Soviet ammunition enters Pakistan through two sources. The Afghan freedom-fighters bring the ammunition they seize from the Soviet Army to Pakistan when they enter it by crossing the Frontier Province. Some ammunition is sold in Bara and tribal markets. This is one source. The other source is those elements who enter the country for the purpose of subversion and it is not definite that these agitators enter through the Frontier Province.

[Question] At present, the subversive elements are active in the country. In order to stop the incidents of subversion, it is essential to prevent the ammunition, whether it is Soviet or Pakistani, from reaching those elements. What steps are the Frontier Province police taking to stop the flow of unlawful and illegal ammunitions?

[Answer] Prior to taking any steps in this regard, we will have to keep in view the Frontier Province's particular circumstances. There are tribal regions around the Frontier Province, where the tribal citizens move about freely with ammunitions. Secondly, there are ammunition factories in Bara market and the [Khyber] Pass. Under these circumstances, therefore, it is difficult to seize anyone seen with a weapon. Our measures to stop the movement of unlawful ammunitions are extremely effective and comprehensive. We have special check-points of the Pakistani-Afghan border, which have been established to prevent the entry of illegal arms and weapons into Pakistan. We have a similar check-point system within the Frontier Province too. In addition, recently special units have been organized to patrol the highways, and they are active in their duties. In the Frontier Province, our check-points keep a 24 hour watch on the movement of suspicious people, ammunitions and vehicles. Similarly, under the leadership of SP's [Superintendent of Police], special units have been formed to combat violence and terrorism. Their duties include secretly obtaining information connected with terrorism and searching terrorists' abodes. We have recently seized a large quantity of ammunitions from Ustarzai.

[Question] Recently, illegal ammunition was seized from a retired army officer. According to certain information, the ammunition was made by the Wah factory. Is this true?

[Answer] It is true and it is very unfortunate. In 1976 also we seized large quantities of ammunition like this. We are having talks with the Pakistani Army about this problem.

[Question] There have been incidents of subversion in the entire country, but in the Frontier Province, except for the incident of placing a bomb in the Holy Koran, no other major incident has taken place. What is the reason for this?

[Answer] Besides the Frontier Province, the law-enforcement institutions of the entire country have become alert. As a result the Al-Zulfiqar organization probably could not proceed further according to its plans. In fact, what is happening now is that after being unsuccessful in their plans, whenever a major incident takes place or a crime is committed, the Al-Zulfiqar organization claims the responsibility for that incident, merely to show off its successes. The reality is that the activities of the Al-Zulfiqar organization have been totally curbed in the country. Similarly, none of this organization's activities exist in the Frontier Province. In view of this province's special circumstances, the law-enforcement institutions here are more vigilant.

[Question] You have organized, to a great extent, the Frontier Province police on modern lines. But, one section of the police that is, the special branch is still operating in its traditional manner. The modus operandi of the people working in this branch is traditional, and they are at once recognized. Even an ordinary person is acquainted with the process with which the special branch gathers secret information. That is why the criminals are successful in deceiving the Personnel of the special branch. At times, a different person is arrested in place of the real criminal. Can't you organize this branch in such a way that it can detect the actual criminals who commit high level crimes?

[Answer] I have a plan for the new organization also, and I am working on it in cooperation with the DIG [Deputy Inspector General] of the special branch. As far as the capabilities of the individuals working in this branch are concerned, we are helpless. This situation exists not only in the special branch, but in the entire police force. There are very few employment benefits for police. For example, an ASI [Assistant Sub-Inspector] who holds many responsibilities, is only a grade 5 employee and his salary is very low. Similarly, a constable, from whom we expect a great deal, is a grade 2 employee. In other departments grade 2 is given to a peon. That is why people with good capabilities and intelligence do not join the police, and this also is the reason for corruption in the police, especially in the special branch. Due to the unattractiveness, because of position and salary, intelligent and educated people do not join the police.

[Question] What is the general situation as to law and order in the Frontier Province?

[Answer] It is in front of you. Crimes are not at all common in this province. Wherever a crime has been committed, I have punished the officer concerned. In the recent robbery incident in Gul Bahar Colony of Peshawar, the SHO [Station House Officer] and three other officers of the Gul Bahar police station were suspended. I am also trying to make the highways safe from incidents of robbery and you are well aware that there are very few such incidents in the Frontier Province.

9779

CSO: 4656/41

## PAKISTAN

### LAWYERS URGED TO BE WARY OF POLITICAL EXPLOITATION

Rawalpindi HURMAT in Urdu 18 Nov 82 p 5

[Article by Zahid Malik: "Lawyers Should Keep an Eye on Their Campaign Course"]

[Text] The situation created due to the amendment in the Legal Practitioners Act and the Bar Council Act is certainly alarming and demands the administration's immediate attention. We do not say that all lawyers in Pakistan have rejected this amendment. It is a fact, however, that after the national convention (which was a representative convention) of lawyers in Lahore, the arrests, resolutions of condemnation of various bar councils by the country and then the arrest of Karachi Bar Association's president, Hafiz Lakho, resulting in a protest by the association of lawyers clearly indicate that the lawyers have not accepted this hasty amendment made by the Ministry of Law and Parliamentary affairs. In view of this rejection by the lawyers, as a matter of principle this amendment should have been withdrawn or some other amendment should have been included. If at present there were a democratic government in Pakistan, it certainly would have done so. But, since the martial law administrators have a special way of thinking, it appears that the Ministry of Law and Parliamentary Affairs does not intend to withdraw this amendment.

As far as we are concerned, we fully support the legitimate freedom of lawyers. But, along with that, we expect them to keep a watch on their "protest campaign" too, as to what direction it is heading. The reason for our timely and sincere advice is that certain politicians have made statements in which they, claiming all lawyers involved in the protest to be the lawyers and members of their own party, have exhorted them to take the "protest campaign" out of the spheres of law and constitution and redirect its course toward politics. The lawyers should be particularly vigilant because of the press conference by the defunct People's Party's ardent and sentimental leader and former minister of law, Mr Abdul Hafiz Pirzada, in which, adopting the tone and tune of his deceased leader, he has called upon all political parties to participate in the lawyers' campaign. In this press conference, he has also said: "We should take advantage of this opportunity. Just like 1971, the people's campaign will transfer the power to us alone."

In our opinion, the desire of Mr Abdul Hafiz Pirzada or any other politician to acquire power is legitimate. The strange thing, however, is that he has exhorted a cautious, apprehensive and discerning sector like the lawyers that "instead of demanding elections, we will have to adopt a mechanism." We regret to say that Pirzada Sahib has not learned a lesson from history, and he is still talking in the same manner which finally brought his leader's downfall. It is possible that Pirzada has forgotten this, but we are sure that the lawyers would agree with us that with the "other mechanism," the path of a second martial law can be cleared but the power cannot be transferred to "us alone." Well, to whom power can be transferred, when and how or what should our remaining politicians do in this regard is a separate topic. At this time, our addresses are only lawyers, we request of them that, being an intelligent and far-sighted sector of the country, and in the best interest of the country, they should adopt a path which is not below the dignity of their rank and status in society. They should be watchful of those opportunist politicians who, by making them the scapegoats, are dreaming of acquiring power.

9779

CSO: 4656/41

## PAKISTAN

### 'BIG BROTHER' ROLE OF INDIA RESENTED; EQUAL STATUS ADVOCATED

Karachi JASARAT in Urdu 3 Nov 82 p 3

[Editorial: "Giani Ji--Accept Us as Equal, Not as Younger Brother"]

[Text] During his meeting with the president, Gen Mohammad Zia-ul-Haq, with spontaneity and in a mixture of Punjabi, Urdu and English, the Indian President, Giani Zail Singh Sahib, expressed his love and affection. In Pakistan, this would be seen at the people's level as an expression of goodwill from India. The Pakistanis value the feelings and sentiments expressed by the Indian president about Pakistan. Giani Zail Singh has expressed the opinion that Pakistan's new generation has doubts and suspicions about India, and considers India responsible for Bangladesh.

Giani Zail Singh's view that Pakistan's new generation has doubts and suspicions about India is correct. Pakistan's older generation, prior to India's partition, had witnessed only mutual social order with today's Indians and their attitude during the freedom campaign, including some disturbances. But to form its opinions (which Giani Ji calls "misunderstandings and doubts and suspicions") about India, the new generation has witnessed three or four dreadful wars, which is more than a mere hostile attitude. They have seen Indian planes bombing Pakistan. They have read the news about frequent disturbances in India involving the killing of human beings, especially Muslims. Therefore, the new generation's doubts and suspicions are not merely instilled in their minds by the older generation, rather they are the result of first-hand observation. These doubts and suspicions cannot be eradicated by mere verbal expressions of warm enthusiasm. Instead, their doubts can only be eliminated through a nonaggression pact.

Giani Zail Singh, on his part, said enthusiastically: "Pakistan is our younger brother." This, however, will be disliked in Pakistan. Being a big or small brother does not depend on one's body or size; it depends on the date of birth. Pakistan celebrates its independence day on 14 August and India on 15 August. Every year, on 14 August, India sends a message of congratulations to Pakistan on its independence day, that is, its founding day. Thus, India officially recognizes Pakistan to be one day older. What then is the meaning of calling Pakistan a younger brother?



We Pakistanis do not insist on Pakistan being called a big brother. We just want to say that we are brothers. Both are equal and independent on equal levels. India's insistence on its role of big brother creates unnecessary dangers for Pakistan, which feels that India's aim in this is that in relationship to its big brother, Pakistan should surrender its right to equality. Again, there are suggestions that Pakistan is a small country and has no need for F-16 planes for its defense. Why does it want to keep such a big army? What will it do with so many tanks? Recently, therefore, with these arguments, Pakistan was advised to reduce its military force. Indian and the Soviet Union jointly are willing to guarantee its integrity.

Thus, with the support of an apparently harmless concept of being a big brother, proposals are being advanced to deprive Pakistan of its equal status as independent and free. That is why, in mutual relations, Pakistan dislikes references to small and big brother status, although 28 years ago this very term was used by one of our own prime ministers, Mohammad Ali Bogra. Nevertheless, experience in these 28 years shows that relations between nations are not settled like the simple relation among people. We would, therefore, request Giani Ji to consider Pakistan as a fraternal country and not get involved in this enigma of big and small. This promotes doubts and suspicions.

9779

CSO: 4656/33

SOCIAL REFORM SEEN LACKING CREDENCE

Lahore CHATAN in Urdu 1 Nov 82 p 6

[Editorial: "Social Reform--Through Heated Discussions!"]

[Text] We wholeheartedly support and pray for the success of the social reform campaign started by the government, since evils and evil deeds and actions drive the society toward the ditch of destruction. Reform is essential if we want to live as a nation and as individuals. The situation created by various evils is tormenting the soul of every patriotic person. For a long time, the need to reform has been felt every moment. Many claims to reform the society were made, but the result was that the sickness worsened as it was treated. Keeping the examples of other nations and our own history in mind, it can be said that not only is the sickness receiving incorrect treatment, there has not even been any intention to provide corrective treatment. The reality is that more than 70 percent of the country's population is still illiterate. This society certainly includes criminals, but responsibility for the real and great evils rests not with any individual or sector of the population. The real evil is found in the literate circles, especially among those in authority and power. Responsibility for bribery, misappropriation, unlawful use of national resources and authority, nepotism and tardiness in performing one's duties properly rests with those individuals of the literate circle who hold various positions in official, semi-official and independent institutions. Embezzlement in the banks is not done by illiterates. The use of government money and other resources is committed only by those who are responsible for their expenditure. Those who support criminal elements instead of eliminating them are not the common people. The dens of pleasure and immortality are operated one way or another by the support of those people who are bestowed with authority and influence. When there are incidents of murder and rape in the police stations, how can one expect enforcement of law or accountability by the law-breakers. The study of history and examples of other nations show that discussion or mere ordinary talk has never been effective for reforms of this nature. Instead, after giving the right education and training to a few individuals and instilling missionary spirit in them, they were given the reins of government at various levels, and they perfected the task of reformation in their respective circles. In the present era, one person alone cannot closely guard a vast and sophisticated administrative machinery in a society

TULF REASONS FOR OPPOSING REFERENDUM GIVEN

Colombo THE ISLAND in English 30 Nov 82 p 1

[Article by D. B. S. Jeyaraj]

[Text]

Despite the fact that the TULF was the largest Opposition party in the Present Parliament, it was opposing the proposed extension of the life of Parliament because it felt that the fundamental right of the people to elect ~~their~~ representatives should not be denied, said the Leader of the Opposition, Mr. A. Amirthalingam speaking at a public meeting at the Jaffna Open Air Theatre on Saturday.

Mr. Amirthalingam said certain people were questioning why the TULF was actively participating in the Referendum when it had abstained from participating in the Presidential election. The answer to that question was that the Presidential election was to elect a head of state for the whole country while the Parliamentary election was to elect representatives for particular regions.

The TULF had discharged its mandate creditably since 1977 and therefore had no hesitation in

facing a general election.

People had asked him, said Mr. Amirthalingam, whether he was not afraid of losing his position as Leader of the Opposition.

He had become Leader of the Opposition as a result of an accident. It was because the Sinhala people had overwhelmingly rejected the SLFP while the majority of the Tamils had supported the TULF. The TULF had made use of the status of Opposition Leader for propaganda reasons, said Mr. Amirthalingam.

TULF President, Mr. M. Sivasithamparam said people were saying that the TULF was only paying lip service in this opposition to the extension of the life of Parliament and that their hearts were not in it. He wanted the Jaffna voters to give the lie to this by voting for the 'pot'.

CSO: 4200/210

comprising millions of people; even scores of people cannot do this work. The procedure of governments is to devise a policy and then, to implement it, entrust it to various departments of their administrative machinery. Obviously, if the people connected with the administrative machinery themselves are evil-minded, dishonest and accept bribes, how can they run a successful reform campaign? Our tragedy is that the root of evil is not grasped. At intervals, to show off, a few individuals are captured. A few small culprits are arrested and that is all! Due to the current system, most of them do not even receive the punishment they deserve. Apparently, evil-mindedness is a power. The evil-minded elements have resources. Therefore, how can evil-minded elements be eradicated from a society in which evil-mindedness prevails? Pious intentions and determination are essential for social reform. If these are present, definitely the correct way to reform the situation will be adopted. Whatever is done prior to this is nothing more than hot air.

9779

CSO: 4656/33

## REFERENDUM ON EXTENDING TERM OF PARLIAMENT TO BE HELD

Kuala Lumpur BUSINESS TIMES in English 6 Nov 82 p 9

[Article by Dalton De Silva in Colombo]

[Text]

A SENSE of relief has spread among local and foreign investors in Sri Lanka following last month's re-election of President Junius Jayewardene, who has promised to continue his free market economic policies.

Mr Jayewardene, who first came to power in 1977, had followed a liberalised economic system, inviting foreign investment and encouraging the private sector to play a bigger role in trade and commerce.

In a bid to attract foreign investment, his government offered tax concessions and other incentives to local and foreign businessmen to invest in a newly-created free trade zone.

### Referendum

Investors responded well and by June this year there were 49 factories in commercial production and agreements had been signed to establish 84 others.

The goods manufactured in the export-oriented zone include garments, rubber product, jewellery, footwear, wooden toys and engineering items.

Investors have come from 20 countries, including the United States, Britain, West Germany, Netherlands, Norway, Switzerland, Belgium, Hong Kong, South Korea, Japan, Taiwan and India.

But, with the election looming, foreign inves-

tors were gripped with uncertainty over their future in case President Jayewardene lost his re-election bid.

Finance Minister Ronnie de Mel said Mr Jayewardene's election last month for a second six-year term was a big boost for both local and foreign investment.

If the opposition Sri Lanka Freedom Party (SLFP) had come to power, he said, its policies, including a threat to revalue the rupee, would have been a disincentive to foreign investments.

Mr de Mel, in an interview with *Reuters*, however, cautioned that despite Mr Jayewardene's victory there might not be an immediate increase in foreign capital flowing into Sri Lanka.

"Though the climate has improved considerably, and this is a big boost, still some may prefer to wait for the outcome of the impending general election," he said soon after Mr Jayewardene's victory in the presidential poll.

The term of Mr Jayewardene's government, with his ruling United National Party (UNP) holding 143 seats in the 168-member Parliament, ends in July next year.

Political analysts had expected Mr Jayewardene to make capital of his present popularity and hold an early general election before a divided opposition consolidated

itself.

But Mr Jayewardene last week announced that he would hold a referendum instead of a general election to extend the term of Parliament, and thereby the government, for a further six years from next August.

He was taking the step, he said, because the people had already given him a mandate to continue his policies.

### Incentives

In last month's election, the 76-year-old President polled 52.9 per cent of the 6.6 million votes cast while his closest rival, Hector Kobbekaduwa of the SLFP, received 39 per cent.

Mr Kobbekaduwa said the voting indicated a trend towards the SLFP, which is led by former Prime Minister Sirima Bandaranaike, who is disenfranchised.

The Finance Minister,

speaking just before the President announced the referendum, however, expressed confidence the UNP would be returned to power at a general election.

He said prospective new investors would have their plans ready to invest immediately after a UNP victory.

Mr de Mel said maximum tax incentives had already been given to foreign investors and no additional incentives were envisaged, except in special cases.

"Our incentives are better than in any other place anywhere in the world," he said.

The Finance Minister said 14 foreign banks had already set up branches in Sri Lanka and some others had shown interest.

The foreign banks have set up 24 foreign currency banking units, providing offshore banking facilities. — *Reuter*

# OPPOSITION LACKS FUNDS FOR CAMPAIGNING

Colombo THE ISLAND in English 3 Dec 82 p 1

[Article by Ravindran Casinader]

[Text]

Most of the recognised opposition political parties are finding it difficult to pay for the full 45 minutes allowed for their political broadcasts and telecasts in connection with the Referendum.

Spokesmen for these political parties told 'The Island' yesterday that the increased rates on political broadcasts and telecasts since the Presidential Election have caused serious constraints in their campaign against the Referendum.

The rate for radio-time has been increased from Rs. 1,500 for 15 minutes at the Presidential Election to Rs. 4,000 for broadcasts under the Referendum Act. Similarly, the rate for a telecast of 15 minutes has been raised from Rs. 15,000 to Rs. 27,500.

Most of the opposition parties who had used their full quota of 45 minutes each at the Presidential Election said that they had decided on only 15-30 minutes for the Referendum broadcasts and telecasts because of the new rates.

Of the 12 recognised political parties, 9 have applied so far for radio and TV time. They are the UNP, SLFP, LSSP, NSSP, CP, MEP, TC, JVP and CWC.

The TULF, FP and DWC (Political Wing) have yet not applied to the Director-General of Broadcasting Mr. Thevis Guruge who is the competent authority for political broadcasts and telecasts.

TULF President M. Sivasingham told 'The Island' that his party found the rates too high. However, some of the party supporters had offered to meet

some of these expenses and therefore the TULF hoped to book for 15 minutes TV time which would be used by the party General Secretary and Leader of the Opposition Mr. A. Amirthalingam, he said.

The DWC leader Mr. Abdul Aziz said that his party was not interested in using the radio or TV in its campaign against the Referendum because these media were not available to the plantation workers who were their main supporters. The party would instead use pamphlets for its campaign, he said.

Meanwhile, the 'Forward', the organ of the Communist Party has appealed for funds for the party's political broadcasts and telecasts.

Under the Parliamentary Elections Act, all recognised parties which contest a general election and have polled at least 1 per cent of the total valid votes at the previous election are entitled to financial assistance from the State. In the case of the Referendum, however, political parties are not entitled to any such government grant.

The Director-General of Broadcasting, Mr. Thevis Guruge has told the political parties concerned that the rates for broadcasts and telecasts in the Referendum campaign have been increased because it was found during the Presidential Election campaign that most of the parties used more studio time than what was allocated to them.

PROTEST FAST HELD IN JAFFNA

Colombo DAILY NEWS in English 1 Dec 82 p 1

[Article by M. Selvarajah]

[Text]

More than five thousand people fasted in pouring rain the whole of yesterday in four centres of Jaffna, demanding the release of the two Catholic priests and the lecturer and his wife now in custody in connection with the investigation of northern terrorism

At St. Mary's Cathedral nine TULF MPs headed by the Party President M. Sivasithamparam and Secretary-General A. Amirthalingam joined the fast which started at 7 a.m. The members of the district development committee and the Jaffna municipality led by DDC Chairman S. Nadarajah and the Mayor Raja Visvanathan also took part. Dr. J. V. C. Phillip headed the fasting men and women. Other MPs who fasted were Messrs Nava Ratnam, Soosaiathan, Yogeswaran Ratnam, Allalasuntheram, Thurai Ratnam and Tharmalingam. There were 100 priests

and 150 nuns who chanted hymns and prayed.

They were joined by representatives of other religions—Hindus, Muslims and non-Catholic Christians. Students were also present in large numbers. The police estimated the crowd at over 2000.

There was fasting at three other centres—St. James Church, where about 1,000 fasted, Jaffna University where about 1,000 university teachers and students fasted, and Viramakali Animan temple, where about 500 Hindus fasted.

Police said it was a peaceful event.

The slogans display-

ed at these centres mainly demanded the release of the priests and the lecturer and his wife.

Meanwhile, our Trincomalee correspondent reports that about 500 people fasted at St. Mary's Church, Trincomalee MP, R. Sampanthan and DDC Chairman A. Thangathurai were present. Police said two Catholic priests, Tamil Congress leader Kumar Ponnambalam and Mr. Motilal Nehru also joined the fast.

Many of those who fasted marched through the town around 1 p.m. yesterday. An eye witness said that the procession took one hour to pass a point.

EDITORIAL DEPLORES CATHOLICS, ACT IN JAFFNA

Colombo THE ISLAND in English 30 Nov 82 p 6

[Editorial]

[Text]

The Satyagraha in Jaffna by Catholic clergy and school-children asking for the release of two Catholic priests who are being detained at the Army camp in Gurunagar is surely a singularly myopic act. The country knows only too well the history of the episode but it is worth recounting if only to place the whole issue in perspective. It is unfortunate that people who should know better are trying to completely distort the issue and give it a communalist and religious colouring.

Two weeks ago several Catholic priests were taken in for questioning by the law enforcement authorities in connection with the inquiries into the Northern terrorist movement. After routine questioning all except two priests were released. Army top brass including Commander Tissa Weeratunge and Brigadier S. C. Ranatunge, who is in charge of the Army operations in the North, have explained at a press conference that there was positive proof (including the confessions of the priests) that they were helping the terrorist movement.

It is on this basis that the two priests Fr. Singarayar and Fr. Sinnarasa are being detained. On Sunday pressmen in Jaffna were taken to the Gurunagar camp and shown the conditions under which the priests were being held. The investigations are being conducted by the CID with the Army only playing a supporting role.

Why then should there be such a hue and cry in the North calling for the release of the two priests when all inquiries so far have been done strictly within the framework of the normal laws of the land? The fact that the detainees are members of a religious order are immaterial to the issue at hand. If anybody tries to play politics with the issue by trying to raise the discredited bogey of communal or religious discrimination, that can only be the act of a mischief-maker. It is a well-known axiom that no one is above the law. In the past Buddhist priests have been taken into custody and one of them was even sentenced to death and hanged for the murder of a



former Prime Minister. Another, who was one of the most powerful figures in the country at the time and the chief incumbent of the prestigious Kelaniya Rajamaha Vihara, was condemned to life imprisonment and died in prison. To cloud the issue with irrelevancies therefore can only help the mischief-makers.

The stand taken up by the TULF and the Catholic Church is also curious. In a statement the Catholic Bishops' Conference had dissociated itself from the terrorist movement and only maintained the position that any accused is deemed innocent until proved guilty, an eminently reasonable stand. The demonstrations and the fast by Catholic priests and nuns, however, can only negate all that. It is up to the Church hierarchy to advise its clergy to abandon this needless act and allow the law to take its course.

Even more curious is the TULF stand. In a speech in Jaffna, Mr. Amirthalingam had said that the Church had done a great service to the people of Jaffna by way of rehabilitating the Tamil victims of communal violence and therefore the Tamil people were unanimously of the opinion that the priests should be released. The most charitable thing one can say is that in spite of being a lawyer Mr. Amirthalingam is guilty of dubious logic. The Catholic Church is held in the highest regard in the country and the detention of two priests in no way reflects on the integrity of the Catholic Church.

It should be clear even to these desperate leaders of the TULF, who seem to be clutching at every straw, that the law must take its course irrespective of whoever is involved.

We appeal to the more responsible and saner elements within the Catholic Church and the TULF to jettison these pointless protests.

The law knows only its own principles and to seek to interfere with the law through protests and demonstrations is either the work of the myopically overzealous or the politically bankrupt.

## DETAINED PRIEST URGES CALM

Colombo THE ISLAND in English 2 Dec 82 pp 1, 3

[Article by D. B. S. Jeyaraj]

[Text] Brigadier Cyril Ranatunge, Co-ordinator of the Security Forces in the North yesterday showed letters written by detainees saying that they were being looked after well and also produced Mrs. Nirmala Nithiyandanan, wife of the Jaffna University Lecturer Mr. Nithiyandanan to be questioned at a Press conference held yesterday.

The Press conference was held at the Gurunagar Army Camp.

Brigadier Ranatunge showed two letters, one written by Fr. Singarayer to the Bishop of Jaffna and the other by Mrs. Nirmala Nithiyandanan to her father.

Fr. Singarayer, in his letter to the Bishop of Jaffna, had said that he had been looked after well and that after the first three to four days, he had no problems. He had celebrated Mass with Fr. Sinnarasa who is also being held in custody, Fr. Singarayer had said.

Fr. Singarayer further states that some of "our boys" were disturbed about his arrest and also that some people were trying to make capital out of it. He had asked the Bishop to defuse any tension over this situation and to pray for them.

Mrs. Nithiyandanan's letter to her father states that she is alright. On a request made by the reporters, Mrs. Nithiyandanan was brought to the room where the press conference was being held and allowed to speak to the reporters. Questioned by reporters, she said that she was quite alright and was being treated well.

Whilst leaving the room after a talk with pressmen, she turned back and said again "I am fine".

Asked by "The Island" what Fr. Singarayer would have meant by saying he had no problems "after the first three or four days", Brigadier Ranatunge said "the expression probably meant that since he was in new and unaccustomed environments it would have taken him a few days to adjust."

"For example if I asked you to stay here tonight you would probably feel a little uncomfortable" Brigadier Ranatunge added.

Brigadier Ranatunge, continuing the briefing, said that the Vice-Chancellor of the Jaffna University Prof. Vithianandan had been allowed to see Prof. Nithiyandanan and his wife

Nirmala. Relatives of the other detainees too had been allowed to visit them. Two delegations of University staff too had been allowed to see the Nithiyandanan.

"In strict terms of the law, visits can only be allowed on an order from the Defence Ministry but I have been somewhat lax" the Brigadier said. "I have tried to be as human as possible".

Brigadier Ranatunge said that Mr. Donald Kanagaratnam, an Anglican priest had only been questioned and it had been established that he had no connections whatsoever with the terrorist movement.

The Brigadier also said that the MP for Mannar, Mr. P. Soosaitasan had been allowed to visit Fr. Singarayer who was his classmate.

He had been deeply hurt that despite this Mr. Soosaitasan had seen fit to participate in yesterday's satyagraha in Jaffna, the Brigadier said.

The reason for these demonstrations, he said, was that certain people were getting restless because they realised that the security authorities were getting closer to the terrorist movement.

CATHOLIC BISHOPS' CONFERENCE REJECTS TERRORISM

Colombo SUN in English 8 Dec 82 p 1

[Text] The Catholic Bishops' Conference asserted yesterday it had "no truck with terrorism" and announced that any person found guilty had to take the consequences.

The church does not dabble in party politics, it said.

Urging a "fair and just process of trial for the suspects," Bishop Frank Marcus Fernando, who issued a statement on behalf of the Conference said "we do not ask for any privileges in this matter for the clergy."

The statement was released after a delegation from the conference met President J. R. Jayewardene yesterday.

The Presidential Secretariat said the "discussion covered the involvement of certain members of the Catholic clergy in the North and the political activities of a certain section of the clergy in other parts of the country."

The conference delegation comprised Bishop Frank Marcus Fernando, (President), Archbishop Nicholas Marcus Fernando, (Archbishop of Colombo) and Bishop Oswald Gomis (Secretary General).

Associated with President Jayewardene were Prime Minister, R. Premadasa, Parliamentary Affairs Minister, Vincent Perera and Fisheries Minister Festus Perera.

Here is the full text of the statement issued by Bishop Frank Marcus Fernando:

"We repeat with emphasis what was stated in our earlier statement that we do not condone violence in any form and from whatever quarters it may come. The law should take its own course and after a fair and just trial if any person is found guilty he has to take the consequences of violating the law.

"We urge a fair and just process of trial for the suspects but we do not ask for any privileges in this matter for the clergy.

"While being deeply appreciative of the fact that the Security forces themselves have exonerated the Church from any involvement in terrorist activity we reiterate our position and state categorically that we have no truck with terrorism.

"Concerning party politics the position of the Church is very clear. The Church does not dabble in party politics.

"We are also informed of a publication under the title 'Pavidi Handa.' We categorically state that the Church has nothing to do with this publication and it does not reflect the opinions of the Church."

CSO: 4200/243

CORRUPTION DESCRIBED AS CANCER DESTROYING SOCIETY

Colombo THE ISLAND in English 1 Dec 82 p 6

[Editorial]

[Text]

An obscure court "arachchi" of Kurunegala has enjoyed a brief spell of notoriety by being fined for accepting a bribe of Rs. 2. "The Island" reported yesterday that after a long-delayed case the man had been punished for, accepting a gratification of Rs. 2 from an old woman for showing her a file connected with her husband who was a remand prisoner.

It is not always, of course, that the absurdities spawned by bribery are so starkly dramatised but it is almost a truism that in Sri Lanka it is always the sprats who are caught while the sharks, who deal in millions, get away. Bribery and corruption have got so endemic in the country that it was only recently that no less a person than the Chief Justice was compelled to admit publicly that not a file could be moved in the Courts without some money changing hands. Cabinet Ministers themselves have admitted that bribery and corruption were rampant in the public sector and the President himself said recently that not all MPs in his ranks were blameless.

What all this amounts to is that the entire social order is threatened by a cancerous growth which can erode the very vitals of the social system unless checked in time. A society which surrenders to corruption has abdicated its responsibilities towards the vast mass of the country's people by officially accepting and anointing the power of money. In most government departments, they speak of 'speed money' to help speed decisions and for files to move.

The problem goes beyond the scope of the Bribery Commissioner's Department although by such absurdities as the one we have spotlighted above the Department only makes a farce out of a social tragedy. Any drive against corruption must be a political campaign and for this the Government must consciously intervene in the process and give it leadership. When the ruling party appointed a Committee headed by Mr. A.C. Gunaratne to investigate into complaints against UNP MPs this newspaper commended the UNP's decision because it appeared that the party was ready to give political leadership to the drive

against corruption. But sadly nothing more has been heard about the Committee's activities after that initial trumpet blast.

What the Government must ask itself is whether it has done enough to combat corruption by putting the pressure on those who really make money on the side. Has it made adequate use of the machinery at its command to put the heat on the bribe-takers? While the Bribery Commissioner's Department is playing about with the small fry the Special Presidential Commission seems to have gone into a long hibernation. The only Government MP to be arraigned before the Commission was the Fiast MP for Pottuvil but even his inquiry has still not been completed.

The most tragic thing, however, is the manner in which another avenue which could well have been made available to the people has been closed. We refer to the Parliamentary Commissioner better known as the Ombudsman. It is true, of course, that the Ombudsman is not there to deal exclusively with complaints of corruption but these complaints can be taken to him. But the machinery that has been installed for the public to deal with the Ombudsman sadly negates the very basis of this office. The people can not deal directly with the Ombudsman but must petition him through a MP. What is ironic is that there is a Petitions Committee in Parliament for this very purpose. An Ombudsman becomes redundant if the public does not have direct access to him because the Petitions Committee can well play the same role. The very essence of the office of Ombudsman is that he has direct contact with an aggrieved party. An Ombudsman operating through a Parliamentary Petitions Committee can only be a caricature.

At every Parliamentary meeting scores of petitions are tabled but the people should be told what happens to them. What has the Ombudsman done with them? Some time ago "The Island" reported that no provision had been made to pay the Ombudsman's salary in the Budget provisions of 1981-82. The Government must ensure that this anomaly is rectified at least next year and the Ombudsman is provided with a climate in which he can operate freely.

The most important consideration, however, is that the Government must unflinchingly recognise the reality of corruption in its midst and wage a determined political assault on it before it grips the whole social order.

## TERRORISTS ESCAPE TO INDIA

Colombo THE ISLAND in English 30 Nov 82 p 1

[Article by D. B. S. Jeyaraj]

[Text]

The terrorist group which attacked the Chavakachcheri Police Station recently has escaped to India taking along with them the three injured members, security sources said yesterday.

They said that the youths who belonged to the Prabhakaran group had crossed over to India on the night when two false alarms were triggered off at the Karainagar Naval Base.

Naval sentries had opened fire twice at 11.45 p.m. and 2.30 a.m. at "figures" lurking in the dark thinking that there was an attack on the base.

Security sources now believe that the "scare" was a calculated move to distract the Navy's attention while the terrorists made their getaway across the sea. The group itself had come from India where they had been staying

for more than a year.

Meanwhile, intelligence personnel in the north is perturbed over the emergence of a new terrorist group believed to be responsible for the attempt on the Jaffna Municipal Commissioner's life and the burning of a bus which took place on the day of the President's visit to Jaffna.

The group calls itself "The Tamil Eelam Liberation Army".

Meanwhile, a mass satyagraha has been organised by the Hindu and Catholic youth fronts at the Jaffna Cathedral today to protest against the detention of the two catholic priests. TULF MPs are due to participate at this satyagraha. The Undergraduates Students Association of the Jaffna University has also organised similar fasts in all electorates in the Jaffna district.

CSO: 4200/2100

## CRACKDOWN ON TERRORIST MASTERMINDS SOON

Colombo THE ISLAND in English 4 Dec 82 p 1

[Article by D. B. S. Jeyaraj]

[Text]

Security personnel combating northern terrorism are poised for a crackdown on significant elements in the terrorist network.

Authoritative sources told "The Island" that the crackdown would be directed more against the masterminds behind the terrorist organisations and those involved in the organisational activity of the terrorist groups.

These sources said that sleuths investigating terrorism had made a big breakthrough by obtaining precise information about the "brains" behind terrorism. Earlier, information had been generally about those involved in the execution of terrorist acts which is in effect the "brawn" in terrorism.

The latest information, about the organisational aspects of terrorism, is the biggest breakthrough so far, they said.

Several priests, politicians, professionals and social service organisations are all said to be

part of the network, according to the information received.

"We have reliable information about those funding the terrorists and planning the strategy for them". Several bigwigs in the north have been maintaining links with the terrorist groups, security sources said.

They said that one reason for the wave of demonstrations in the north against recent arrests was because certain people were getting jittery about the Law closing in on them.

CSO: 4200/243



## SIRIMA CHARGES POLICE HARASSMENT

Colombo THE ISLAND in English 2 Dec 82 pp 1, 3

[Text]

Leader of the SLFP, Mrs. Sirima Bandaranaike has written to the Inspector-General of Police, Mr. Rudra Rajasingham saying that a criminal law was being used for the purpose of obtaining information about the SLFP and that the Public Security Ordinance was being used for the purpose of harassing and victimising supporters of the SLFP even after the proclamation calling for a Referendum had been issued.

The full list of Mrs. Bandaranaike's letter dated 23rd November is as nt Secretary. I am informed that they are being questioned on matters such as Party organisation, finances, and the identity of party activities. Some have been asked lists of polling and counting agents; others have been asked for the names of party contributors. I cannot help but conclude that a criminal law is being used for the purpose of obtaining information in regard to the leading Opposition Political Party in the country and the Public Security Ordinance for the purpose of harassing and victimising supporters of my party even after the President has issued a proclamation calling for a Referendum.

Your officers have even removed files containing lists of our Executive Committee members etc. I must protest very strongly at the actions of the Police Department which, apart from being an abuse of power, are calculated to induce or compel SLFP supporters and sympathisers to refrain from voting, and to

impede or prevent the free exercise of the franchise at the Referendum. As you are aware, such conduct constitutes the corrupt practice of undue influence under the Referendum Act.

I would like to remind you that the Sri Lanka Freedom Party is a recognised political party. As such, it is entitled to organise itself for political activity, particularly elections. It is entitled to collect funds. It is entitled to enlist the services of volunteers for election work and to serve as polling agents, counting agents etc. None of these are criminal acts, and I would urge you to impress that fact upon your subordinates who are taking in people for the purpose of questioning them on these matters. I need hardly remind you that it is your duty as Head of the Police Department, to ensure that Police powers are not abused to serve sectarian interests, even if it be of the ruling party.

As you are aware, 18 SLFP Organisers and Secretaries are now being held by the Harbour Police. If you have any desire to see that the Referendum is conducted in a fair and democratic manner, you should release these persons forthwith so that they may resume their legitimate political activity. On the other hand, if you insist on keeping them in custody, you will only be lending credence to the view rapidly gaining ground in the country that the Referendum is being rigged.

YOUTHS AVOID POLICE SERVICE

Colombo THE ISLAND in English 6 Dec 82 p 1

[Article by Sriyan Obeyesekere]

[Text]

Recruitment to the Police service has dropped drastically, according to a top Police source. including 16 Tamils, 9 Sinhalese and 1 Muslim.

He said that only 6,000 had applied for 1982 police vacancies. This has been the trend for the last 3 years. In comparison with the 1975 figures of some 50,000 applications, the response had been staggeringly low.

Youngsters eligible to join the Police force were fighting shy mainly because of the recent attacks on policemen by the terrorists. The death toll of Policemen up to now is 26

The decline, according to the Police source, had particularly hit the Tamil community, who fear to serve in the North. About 70 per cent of Tamil policemen are posted in the North.

The decline, it is understood, is despite improved incentives such as better salaries and promotion prospects.

Wide scope in other fields of employment was another contributory factor, the source said.

CSO: 4200/243

## EDITORIAL COMMENDS ARMY BEHAVIOR IN NORTH

Colombo THE ISLAND in English 3 Dec 82 p 6

[Editorial]

[Text]

The conduct of the Army in the current episode in Jaffna shows a welcome change in its attitude. From the time the Catholic priests were taken in for interrogation the Army top brass in charge of the investigations have kept the country informed about the progress made and last week the press in Jaffna were allowed to visit the detainees and see for themselves the conditions in which they were living. This was followed by a meeting between the press and Mrs. Nirmala Nithiyanan, one of the detainees on Wednesday following allegations that she had been harassed by the Army.

What all this points to is the fact that the Army is behaving with a sense of responsibility. The strained relations between the law enforcement agencies and the people of Jaffna had in the past contributed to deepening the problems in the North. The conduct of the Police last year when the Jaffna Library was burnt further contributed to alienating the people from the Law. This is a phenomenon which we ourselves had drawn attention to as a regrettable feature. Several times in these columns we have stressed the importance of the Army and the Police trying to understand the Northern mind and entering into a dialogue with the people. The terrorists are a minority in the North but operating as they have to in a climate pervaded by the menacing presence of violence the law officers tend to adopt a jaundiced attitude towards all people in the North. For their part the people get further alienated from the law as a result of this attitude. So the vicious cycle continues.

This is why we have pointedly emphasised the importance of dialogue and stressed the need for the Police and the Army to enter into a sympathetic relationship with the people of the peninsula. If the present conduct of the Army is a harbinger of things to come then that is a welcome development. What is necessary is that the law enforcement agencies in the North should be able to retain the goodwill of the people of the North even as they relentlessly pursue their war on that microscopic minority

styling themselves Liberation Tigers, the Eelam Liberation Army and what have you.

From all reports the Police and the Army kept a low profile during the recent satyagraha campaign. They had not made their presence felt according to the reports we have received. This is a welcome sign. The satyagraha is a legitimate weapon and the presence of the Law during that time could only have created a needless situation.

It is now time for the responsible leaders of the TULF and the Catholic Church to diffuse the tension in the North generated by the recent incidents. This is a request made Fr. Singarayar, one of the detainees as well in a letter he had written to the Bishop of Jaffna. The leaders of Tamil opinion in Jaffna would have grievously failed in their duty if they allow any mischief-makers to exploit the situation for their own mean communalist ends. The country cannot afford the luxury of allowing bankrupt political elements to cash in on an already delicate situation.

It is also upto the CID to conclude its investigations quickly in respect of the two detained Catholic priests, the Methodist Priest, his brother—the doctor—and Mr. and Mrs. Nithiyanandan. It is not merely enough that they are treated well. The public must know what the outcome of the investigations is. This can best be done by concluding the inquiries as soon as possible.

The responsibility therefore falls on all sections in the North to bring the situation back to normal as soon as possible. The Tamil leaders in the North must do everything possible to keep in check the hotheads in their ranks and ensure that the situation does not degenerate into the kind of holocaust with which the people have become quite familiar now. This is particularly important because of the cross roads the Country has come to today. There is not only an emergency on but a Referendum is also due soon. It is a sensitive situation the country is in and every leader of responsibility must ensure that he does nothing to contribute to an already delicate situation.

CSO: 4200/211

EDITORIAL CALLS FOR FREE PRESS

Colombo THE ISLAND in English 5 Dec 82 p 6

[Editorial: "Lift 'Aththa' Ban Now"]

[Text]

"Mawbima", the old theoretical journal of the Communist Party of Sri Lanka, which is now being brought out in place of the banned "Aththa" has a tellingly effective sketch each day on its front page. It shows the "Aththa" cartoon character, Appuhamy, with his mouth gagged and below it the number of days since the "Aththa" press was sealed. Today it will be 33 days since the "Aththa" was silenced under Emergency Regulations on an order of the Secretary to the Ministry of State on suspicion that it would be prejudicial to "national security, public order and the maintenance of supplies essential to the life of the community."

The Government must give utmost priority to lifting the ban on the "Aththa." There is less than 20 days to go for the Referendum and the Government cannot afford to hold this most crucial contest in conditions where the Opposition is deprived of a major newspaper. The Government's pet counter to Opposition arguments that holding the Referendum under a state of emergency would seriously jeopardise its campaign is that the Opposition would enjoy all legitimate rights such as the right to hold meetings and publish campaign literature. The ban placed on the "Aththa" openly negates and makes a hollow mockery of this Government position and this is why the paper should be allowed to resume publication. The ban itself is meaningless now that "Mawbima" has begun to appear as a daily.

The Government has sought to defend its act by arguing that the "Aththa" had carried articles which were defamatory of the leaders. Chapter and verse have been quoted in support of this position and faded copies of the paper have been exhumed and paraded in Parliament by Government speakers. If that is so the solution is simple. There are remedies against defamation available both under the normal laws of the land as well as under the Press Council Law.

Interestingly enough a three-judge bench of the Supreme Court which heard the application in the "Nuth... Devadatta" case has taken up the position that the freedom of expression enshrined in the constitution was circumscribed by certain factors one of which was defamation. Here then is the legal remedy that is available. If any newspaper (whether it is the "Aththa" or anyone else) resorts to defamation there is all the necessary machinery to deal with such a newspaper.

There is at least one Government leader who boasts of the interest he gets from compensation he got for winning a defamation suit.

The previous Government's act in banning the publications of Independent Newspapers was one of the major platform cries of the UNP at the 1977 General Election and there is no doubt that this contributed to alienating the people from the then Government. The UNP as a party which exploited that campaign cry owes a moral duty to the people not to repeat the same odious crime against the freedom of expression. The entire international community will be watching how this first-ever Referendum in the country will be conducted and it is still not too late for the Government to lift the ban.

CSO: 4200/243

## LANKANS MOVING AWAY FROM POVERTY

Colombo DAILY NEWS in English 7 Dec 82 p 1

[Text]

Statistical evidence that the quality of life of the average Lankan has been improving steadily in recent months, is available in the final analysis of the Census Department's Labour Force and Socio-Economic Survey for 1980-81.

Mr. W. A. S. Pieris, in succeeding three-month periods. Director of Census and Statistics, said yesterday: "It was very clear from the survey, undertaken country-wide in three-month periods beginning May 1980 and concluding May 1981, that the unemployment rate has been steadily dropping."

The first round of the survey, covering three months beginning May 1980 indicated an unemployment rate of 15.8 per cent. This dropped steadily to 14.5 p.c., 12.1 p.c. and 12.0 p.c.

"That's a very revealing statistic from a countrywide sample," the director said.

The average all-island unemployment figure for the 12-month survey period was 13.5 p.c.

Another very significant survey indicator is that the country's average urban household has an income of Rs. 1,274 per month and the corresponding figures for the rural and estate sectors are Rs. 795 and Rs. 752 respectively.

Mr. Pieris said these figures must be viewed in the perspective of a marked tendency among people to understate their incomes.

On the basis of these figures, Sri Lanka's average household, in the period of the survey, had an income monthly of Rs. 881.

The census chief said that each round of the survey clearly demonstrated that the percentage of people in the lower income groups has steadily decreased and numbers in the upper income groups have correspondingly increased.

This was an index of a movement away from poverty towards relatively better incomes, Mr. Pieris said.

Taking an example from his sample to illustrate, Mr. Pieris said that the percentage of persons in households with an income of less than Rs. 350 per month had declined (in percentage terms) thus during the four rounds of the survey — 14.3, 13.6, 8.4 and 7.4.

Likewise, the upper income bracket (Rs. 1,750 and above per month) increased percentage-wise from 7.4 p.c. in the first round to 8.9, 10.5 and 12.5 p.c. in the final round.

Mr. Pieris said the survey data indicated a total workforce of 5.5 million with 4.7 million employed and 0.86 million unemployed.

CSO: 4200/243

TRADE UNION AFFILIATION ANNOUNCED

Colombo DAILY NEWS in English 1 Dec 82 p 1

[Text]

Major trade union federations with different party affiliations joined hands last Friday to form the Worker Educators, Association of Lanka (WEAL).

The unions in WEAL include the UNP-led Jathika Sevaka Sangamaya and Lanka Jathika Estate Workers' Union, Mr. Thondaman's Ceylon Workers' Congress, the SLFP-led Sri Lanka Independent Trade Union Federation, the LSSP Ceylon Federation of Labour, the CP led Ceylon Federation of Trade Unions, the Ceylon Mercantile Union and the Conference of Public Service Independent Trade Unions.

Three institutions involved in worker education, the Sri Lanka Foundation Institute, the Institute of Workers' Education of the University of Colombo and the Workers' Education Division of the Department of Labour

are also represented in the new organisation.

The inaugural meeting gave evidence of the willingness of all the trade unions to share responsibility in the new organisation.

All the representatives present pledged to work for the promotion and development of workers' education.

Mr. Ivor Fernando of the JSS who was elected vice-president, paid a tribute to Mr. K. Kuhathasan, President Conference of Public Service Independent Trade Unions, for his initiative and tireless efforts to bring diverse and opposing unions together in the common fields of trade unionism.

"He has laid the foundation for the first all-union unity", he said.



# NONTRADITIONAL EXPORT EARNINGS REPORTED

Colombo DAILY NEWS in English 4 Dec 82 p 3

[Article by Annabel Thambyrajah]

[Text]

Sri Lanka earned nearly Rs. 50 million on the export of fruits, flowers, vegetables, foliage and rhizomes, the Trade and Shipping Information Service (TSIS), said.

The trade liberalisation had enabled this non-traditional export of horticultural produce previously almost exclusively domestically consumed.

The TSIS said that markets for this produce are mostly in West Asia and the Maldives. But growing US and European markets are also being tapped.

Vegetables are the most lucrative of these exports with exotic and indigenous varieties bringing in a tidy Rs. 17.5 million last year.

Dubai is a big market and exports there include green jak, green mangoes, curry leaves, cucumber, beetroot, leeks, beans and yams.

Fruit exports earned Rs. 5.8 million last year with dried fresh and canned fruit, airfreighted abroad. There was a considerable export of fruit juice too.

Root and bulb vegetables have earned Rs. 3 million, while cut flowers earned Rs. 0.5 million. In addition to the traditional orchids and anthuriums that have been exported for a long time, roses, carnations, daisies and chrysanthemums are also being flown abroad from market gardens here, TSIS said.

Foliage plants from Sri Lanka are also enjoying growing markets in Switzerland and Thailand while tropical greenery from here is extensively used for landscaping work in West Asia. Earnings on this account are considerable.

TSIS is confident that horticultural exports will grow substantially. Next in line for export are ferns, aquatic plants, palms and crotons.

OIL BILL FOR 1983 PREDICTED

Colombo SUN in English 8 Dec 82 p 1

[Article by Minoli de Soysa]

[Text] Sri Lanka's oil bill for next year will be over 10 billion rupees, Ceylon Petroleum Corporation Chairman Daham Wimalasena said yesterday.

This will be for the purchase of 1.8 million tonnes, 200,000 tonnes less than the purchases made this year. This is because the CPC is shutting down its Sapugaskanda refinery in January for the regular two-yearly maintenance checks. However adequate stocks of refined petroleum products will be available in the market during the period of closure, Mr. Wimalasena said.

Next year's purchases will come from Saudi Arabia (Caltex and Petromin--1.2 million tonnes), Malaysia (Petronas--180,000 tonnes) and Iran (500,000 tonnes).

The deals with Saudi Arabia and Malaysia have been concluded while the third is being negotiated at present.

The record fuel bill of 10 billion rupees is the highest ever that Sri Lanka will have to pay, and is expected to consume a sizeable portion of budgetary expenditure for next year.

Crude oil prices have been increasing phenominally during the past few years. In 1977 a barrel cost 114.04 rupees. In 1982 the price per barrel had risen to 710.66 rupees.

CSO: 4200/243

OIL IMPORTS SAID TO DRAIN ECONOMY

Colombo DAILY NEWS in English 30 Nov 82 p 1

[Article by K. Nadarajah]

[Text] The energy problem has been one of the major constraints in the country's development effort for several years.

The petroleum import bill absorbs a massive share of Sri Lanka's export earnings and the cost of electricity generation is exorbitant. Together they were the two constituents of Sri Lanka's energy problem in 1981, states the Central Bank in its Review of the Economy 1981.

The bank states that although the demand for certain petroleum products has been arrested to some extent through an upward adjustment in prices, the overall consumption of petroleum products remained rather high owing to the Electricity Board's heavy dependence on fuel oil for power generation.

The bank further states that Sri Lanka's dependence on imported petroleum products contributed both of balance of payment difficulties and inflationary tendencies through the past decade.

Import expenditure in respect of crude oil and other petroleum products rose to Rs. 9,967 million in 1981 reflecting an increase of 22 per cent compared with the previous year. Of the total import bill of the country, the amount spent on petroleum imports was 28 per cent in 1981 as against 24 per cent in 1980.

"The extent of external resources required to meet the cost of petroleum imports appears even more striking when compared with the country's total export earnings. The percentage of petroleum imports in relation to the total export income of the country increased from 46 in 1980 to 48 in 1981.

"However, Rs. 3,375 million of the amount spent on petroleum imports was recouped through the exports of petroleum products.

"The growth rate of petroleum imports has well exceeded that of overall export earnings during the past decade with adverse implications for the balance of payment for the country", the bank states.

In regard to electricity consumption, the demand for electricity, which grew at a moderate pace of seven per cent on average during the 1970-77 period, accelerated since the introduction of new economic policies, reflecting an annual rate of 10 per cent for the period 1978-1981.

The bank advocates a fresh determination of the energy tariff policy in years to come, in view of the increased demand for power in the country.

CSO: 4200/210

## BRIEFS

INDICTMENT OF SLFP MEMBERS--The Attorney-General yesterday filed indictment in the High Court of Colombo against SLFP Secretary Ratnasiri Wickramanayake and ten other SLFPers alleging conspiracy to cause damage to public and private buildings and property and engage in acts of violence. The alleged offences were to be a protest against the stripping of Mrs. Sirima Bandaranaike's civic rights. A High Court spokesman said that the package of indictments from the Attorney-General's Department had been received but as the judge was unavailable till Wednesday, nothing further in respect of this matter will be done till then. Those indicted are Messrs. Wickramanayake, A. M. Karunaratne, Justin Navaratne, Shelton Abeyratne, Kusumapals Balapatabendi, Devapriya Chandrapal Ambagahawatte, Janath Naranbedda, Anuruddha Ratwatte, Morris Rajapakse, Kalyananda Dayala and Mrs. Tamara Ilangaratne. [Text] [Colombo DAILY NEWS in English 20 Nov 82 p 1]

TERRORISTS ATTACK UNP ORGANIZER--Jaffna--Mr. S. C. Chandrasekaram, former member of the Urban Council, Point Pedro and a UNP Organiser, Point Pedro was shot at yesterday by a gang of five terrorist youths at his home and seriously injured. The youths had come on bicycles and made their getaway soon after the shooting. Mr. Chandrasekaram was admitted to hospital with gun shot injuries mainly in his stomach. Mr. Chandrasekaram contested the DDC elections on the UNP ticket. [Text] [Colombo DAILY NEWS in English 4 Dec 82 p 1]

FOREIGN-TRAINED ENEMY ARMY--The latest Intelligence reports put the number of foreign-trained men involved in terrorist activities in the north at three hundred. Intelligence sources believe some of them were active in the Jaffna peninsula while the rest found shelter in South Indian hide-outs from where they would cross the Palik Strait to launch armed raids periodically. Every man in this three hundred strong group has undergone strenuous training in the use of modern firearms and in the manufacture of bombs under the supervision of certain liberation movements abroad, the sources say. Those who sought a training in these liberation movements had to satisfy the authorities that they were trustworthy and could endure pain, the sources said. Referring to the Neervely Bank hold-up, they said that the arms used by the attacking gang are not in use in this country. Arms smuggled into the country and those captured in terrorist attacks are stored in underground vaults, access to which are sometimes through residential homes, the sources explained. Intelligence authorities have already identified a number of these houses, they said. The northern security forces have also dug up information about the smuggling in of Eelam literature printed abroad, and the distribution of such literature in foreign countries to raise funds. [Text] [Colombo SUN in English 3 Dec 82 p 2]